HOUSE OF COMMONS
DEBATES

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OFFICIAL REPORT

FIRST SESSION—THIRTY-SECOND PARLIAMENT

30 Elizabeth II

VOLUME XII, 1981

COMPRISING THE PERIOD FROM THE NINETEENTH DAY OF NOVEMBER, 1981
TO THE FOURTEENTH DAY OF DECEMBER, 1981

INDEX ISSUED IN A SEPARATE VOLUME

Published under authority of the Speaker of the House of Commons by the Queen's Printer for Canada

Available from Canadian Government Publishing Centre, Supply and Services Canada, Hull, Québec, Canada K1A 0S9.

HOUSE OF COMMONS

Thursday, November 19, 1981

The House met at 2 p.m.

• (1405)

ROUTINE PROCEEDINGS

[*English*]

THE BUDGET

PROVISIONS GOVERNING INCOME TAXES—MOTION UNDER S.O. 43

Hon. Ron Huntington (Capilano): Madam Speaker, I rise on a matter of urgent and pressing necessity. Whereas jobs and payrolls depend on a stable economic environment, and whereas a stable taxation environment is essential to the work force of the nation, and whereas resolutions No. 9, accrued investment income, No. 23, restricted interest expense, and No. 31, capital gains and other reserves, in the November 12 budget attack the fundamental principle of a fair taxation policy, namely, the ability to pay, and whereas these stated resolutions impose the unfair principle of retroactivity on taxpayers in Canada thus doing irreparable damage to a fair and reasonable taxation environment, I move, seconded by the hon. member for Central Nova (Mr. MacKay):

That the Minister of Finance withdraw resolutions Nos. 9, 23 and 31 of the November 12 budget in order to avoid a major economic calamity that will affect every single Canadian.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

PROVISIONS AFFECTING SMALL BUSINESS—MOTION UNDER S.O. 43

Mr. Stan Darling (Parry Sound-Muskoka): Madam Speaker, the November 12 budget presented by the government has deeply angered small business men and business women across the country. As the details of the budget are more closely examined, there is a growing fury as these Canadians realize that many of the measures outlined by the Minister of Finance (Mr. MacEachen) will, in the long run, result in even further financial pressure.

In light of the fact that the budget, while offering minimal relief only to those in extreme financial straits, is a pronounced step backward for the remainder of the business community and has been described, in the words of John Bulloch, president of the 62,000-member Canadian Federation of Independent Business, as a "bag of snakes", I move, seconded by the hon. member for Prince Edward-Hastings (Mr. Ellis):

That the Minister of Finance admit to the retrogressive and punitive measures directed at small business and either withdraw his budget or take immediate action to change its terms of reference.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

PUBLIC SERVICE

HEALTH HAZARDS POSED BY USE OF RESEARCH CENTRE BUILDING—MOTION UNDER S.O. 43

Hon. Walter Baker (Nepean-Carleton): Madam Speaker, I move, seconded by the hon. member for Ontario (Mr. Fennell):

That the government, and particularly the Minister of National Health and Welfare and the Minister of Public Works, be condemned for authorizing the use of the Sir Frederick Banting Building as a research centre where hazardous chemicals would be handled to the knowledge of the government, when they knew the building was unfit for that purpose, and for allowing the condition to persist for three years, thereby endangering the health and safety of public servants; and so that the full extent of their neglect be public, that the government forthwith table in the House of Commons all reports, minutes, memoranda and other documents relating to this deplorable situation.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

IMMIGRATION

PROCESSING OF APPLICATIONS FOR REFUGEE STATUS—MOTION UNDER S.O. 43

Mr. Dan Heap (Spadina): Madam Speaker, whereas the Minister of Employment and Immigration (Mr. Axworthy) has announced that he hopes to improve his government's policy on determination of refugee status, and whereas many Canadians have expressed the gravest concern that injustice may have been done to applicants for refugee status who were deported by Canada to likely imprisonment, torture, or even death, I move, seconded by the hon. member for Saskatoon East (Mr. Ogle):

S.O. 43

That the minister take the necessary steps to ensure that all applicants for refugee status have no less rights than Canada affords to one accused of crime, namely, the right to counsel at every step, the right to oral hearing at every step, and the right to benefit of the doubt.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

THE CONSTITUTION

RECOGNITION OF WOMEN'S RIGHTS—PETITION TO SASKATCHEWAN PREMIER—MOTION UNDER S.O. 43

Mrs. Ursula Appolloni (York South-Weston): Madam Speaker, I rise under the provisions of Standing Order 43 on a matter that has perhaps never been more urgent in the life of this nation. In this morning's edition of *The Globe and Mail,* it was reported that the Premier of Saskatchewan was preventing Canadian women from having full equality of rights which would be guaranteed in the Canadian Charter of Rights.

Madam Speaker, I move, seconded by the hon. member for Trinity (Miss Nicholson):

That this House calls upon the hon. member for New Westminster-Coquitlam and the hon. member for Vancouver East, as well as the following NDP members from Saskatchewan; the hon. member for The Battlefords-Meadow Lake, the hon. member for Humboldt-Lake Centre, the hon. member for Prince Albert, the hon. member for Regina East, the hon. member for Regina West, the hon. member for Saskatoon East, and the hon. member for Yorkton-Melville, to petition their fellow New Democrat, the Premier of Saskatchewan, to change his current position so that provisions to ensure guaranteed rights for women will be included in the resolution now before Parliament.

Some hon. Members: Hear, hear!

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

● (1410)

Hon. Erik Nielsen (Yukon): I rise to debate the matter very briefly, Madam Speaker, by adding an amendment that the name of the Leader of the New Democratic Party, the hon. member for Oshawa (Mr. Broadbent), be added to the list that was presented in the motion.

Some hon. Members: Hear, hear!

Mr. Edward Broadbent (Oshawa): Madam Speaker, I rise, too, to speak briefly to the motion. Your Honour heard no "nays" from this corner, and I would simply add, as a footnote, that I would like to see a similar motion put, with the same unanimous endorsation, including the entrenchment of aboriginal rights for the native people of Canada.

Some hon. Members: Hear, hear!

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I just want to express my sympathy for the hon. members from Saskatchewan who did not want to support the charter in the first place because the premier of that province did not accept the resolution which was before the House for many months. Now they are in a terrible position. I just want to express my sympathy.

Some hon. Members: Oh, oh!

Mr. Benno Friesen (Surrey-White Rock-North Delta): I would like to add one further remark, and that is to ask the hon. member for New Westminster-Coquitlam (Miss Jewett) to apologize to the Premier of B.C. for blaming him for having been the stumbling block in this negotiation, now realizing that it is the Premier of Saskatchewan who has stopped it.

Some hon. Members: Oh, oh!

Miss Pauline Jewett (New Westminster-Coquitlam): Madam Speaker, the reason British Columbia and Alberta came around was because people like me named them.

Some hon. Members: Hear, hear!

Mr. Svend J. Robinson (Burnaby): Madam Speaker, I certainly support the intent of the motion. I would like to move an amendment to the motion that we further call upon all premiers to restore Section 34, granting aboriginal rights, to the constitutional resolution.

Madam Speaker: Order. I am afraid that all amendments are out of order. I had not yet put the motion to the House. However, I guess what I must do—the hon. member for Saskatoon West (Mr. Hnatyshyn).

Hon. Ray Hnatyshyn (Saskatoon West): I just want to add a few words, that if the members of the New Democratic Party from Saskatchewan are not able to convince the Premier of Saskatchewan, I will certainly try to do my level best.

Some hon. Members: Hear, hear!

Mr. Lorne Nystrom (Yorkton-Melville): Madam Speaker, I want to support the motion to reinsert the equality of men and women in the Constitution. It is a position I have taken at the committee, a position I have supported all the way along, and it is a position for which I am continuing to lobby.

Mr. Nielsen: Don't talk it out.

Some hon. Members: Question!

Hon. Judy Erola (Minister of State (Mines)): Madam Speaker, it seems that all of a sudden everyone in this House would like to take credit for what has happened in the last week, but the credit really belongs to the women of this country—

Some hon. Members: Hear, hear!

Mrs. Erola: —who have worked seven days to change these minds.

Some hon. Members: Hear, hear!

Some hon. Members: Question, question!

Mr. Terry Sargeant (Selkirk-Interlake): Madam Speaker, I would just like to add the comment that the people of Manitoba removed one obstacle to the inclusion of the rights of women and native people, on Tuesday night of this week.

Some hon. Members: Hear, hear!

Mr. Gordon Taylor (Bow River): Being a bachelor, I do not know much about women—

Some hon. Members: Oh, oh!

Mr. Taylor: —but I am quite willing to learn—

Some hon. Members: Oh, oh!

Mr. Taylor: —and Premier Lougheed is strongly behind every one of them!

Some hon. Members: Hear, hear!

Madam Speaker: I am afraid everything that has just happened has been quite out of order because the motion has not been put to the House. At this hour I must interrupt to go to oral questions.

Some hon. Members: No, no!

Mr. Baker (Nepean-Carleton): Put the motion! Put the motion!

Madam Speaker: Very well. I can take time to put the original motion to the House, because I cannot accept the amendment.

The House had heard the terms of the motion. Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to.

Some hon. Members: Hear, hear!

• (1415)

ORAL QUESTION PERIOD

[*English*]

THE BUDGET

PROVISIONS AFFECTING SMALL BUSINESS DEVELOPMENT BOND PROGRAM

Mr. Chris Speyer (Cambridge): Madam Speaker, my question is for the Minister of Finance. During this year the economic noose tightened around the necks of thousands of businessmen and women in this country. On November 12 the minister sprang the trap door with respect to the Small Business Development Bond, an instrument which was established by this party for the purposes of creating jobs through expansion and development of business. It is my understanding that the Royal Bank of Canada and the Bank of Nova Scotia have issued instructions to all of their branches to impose a moratorium on the Small Business Development Bond. Would the minister please confirm this and tell us whether or not any negotiations have ensued between his office and the banks, and could he tell us exactly what is the current status?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I have absolutely no information that would justify the hon. member's claim. I will, however, check the situation, because I think it would be very regrettable if any moratorium were declared on this bond by any bank, because of its benefits for small business men.

The hon. member talked about the general economic situation. I am pleased to advise him that the bank rate has again dropped today. That means the bank rate is at its lowest level for this year. It has dropped almost six points since August, and that is extremely good news.

Some hon. Members: Hear, hear!

Mr. Epp: Six points from where to what?

IMPACT OF TAX MEASURES ON INSURANCE INDUSTRY

Mr. Chris Speyer (Cambridge): Madam Speaker, my supplementary question is for the same minister. It pertains to the taxation of policyholders of life insurance contracts. Some 60,000 Canadians are employed in the life insurance business, many thousands in the Cambridge and Kitchener-Waterloo area. Some 83 per cent of all policyholders make less than $25,000 a year. In light of the fact that there is going to be a tremendous drying up of long-term capital and that the jobs of thousands of Canadians in this industry are going to be imperilled, how can the minister possibly justify this tax grab?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I will not attempt to justify every detailed tax measure in answer to questions on orders of the day, because we will be discussing in detail all of these measures in committee of the whole and I will be pleased at that time to answer all the hon. member's detailed questions with respect to this matter and others. But I would simply say to the hon. member that, upon examination of the situation, maybe he would justify to me why a portion of this particular kind of income should be exempt from tax when the average worker, who receives employment income, is fully taxed on all of his income. Maybe the hon. member would justify to me why there should be this inequitable treatment among various categories of income.

Mr. Speyer: Because the income isn't received.

An hon. Member: That is right.

Some hon. Members: Hear, hear!

EFFECT ON LONG-TERM INVESTMENT AND EMPLOYMENT

Mr. Chris Speyer (Cambridge): Madam Speaker, does the minister agree with my assertions that there is going to be a drying up of long-term investment from the insurance industry as a result of these tax measures? Does the minister agree that the jobs of thousands of Canadians are imperilled as a result of his measures?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Absolutely not, Madam Speaker. The hon. member is speaking complete nonsense.

EFFECT OF PROVISIONS ON RETIREMENT INCOME OF FARMERS

Mr. Blaine A. Thacker (Lethbridge-Foothills): Madam Speaker, my question is for the Prime Minister. It is a matter involving the budget which simply has to be changed. No doubt the Prime Minister is aware that there are about 330,000 farmers in the country and that the average-size farm is less than 200 acres in Ontario. The tax measure around which my question evolves applies equally to small business men. The Prime Minister knows that those small farmers pass their farms on to the next generation and have a pension for themselves either by selling their farms for cash and taking an income-averaging annuity, or if they sell by term they use capital gain reserves. The Minister of Finance has abolished both of these legitimate and honest financing mechanisms. Can the Prime Minister tell me whether that is government policy at this time?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, obviously anything that is in the budget is government policy.

● (1420)

MINISTER'S AWARENESS OF EFFECT

Mr. Blaine A. Thacker (Lethbridge-Foothills): Madam Speaker, my supplementary question is directed to the Minister of Finance. The Minister of Finance drew up the election platform in 1980 which promised substantial relief from capital gains for the farm community. Was the minister consciously aware of the effect that these two provisions in the budget, namely, income-averaging annuities and the capital gains reserve, would have on the small farmers and small businessmen in Canada when he put them in his budget?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, obviously I examined each of these items very carefully. I would ask the hon. member whether he has considered the forward averaging system, which is put forth in the budget, as a very adequate and more fair substitution for the income-averaging annuity contracts which were used in large part by high income earners to avoid tax.

INCOME TAX PROVISIONS

Mr. Bob Rae (Broadview-Greenwood): Madam Speaker, my question is also for the Minister of Finance. The minister no doubt will know that after he has closed all the loopholes which he has said he is going to close, apart from the ones he has changed his mind about in the last two days, .1 per cent of those earning less than $15,000 will have a basic reduction in taxes, and 70 per cent of those earning over $50,000 will have a basic reduction in tax. In light of those shocking figures in terms of the discrepancy in the benefits of the budget to the rich and the poor, I would like to ask the minister how he can possibly talk about equity in his budget.

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, the last time the hon. member cited a tax item from the budget he made a mistake, as I discovered in going back to the budget documents. If he wants to ask statistical questions in the House of Commons there is a proper way to do it, namely, to put them on the order paper, and I will deal with them in that way.

DEFINITION OF "NEW KEYNESIANISM"

Mr. Bob Rae (Broadview-Greenwood): Madam Speaker, the minister can be as condescending and as inaccurate as he chooses to be. This is not a statistical question. This is a question about the basic impact of the budget on working people, on poor people, on women and on pensioners. If the minister wants to make it simply a question of statistics, that is his problem, but unfortunately it becomes the problem of millions of Canadians when they see how callous the government is in face of the hard economic facts of life.

If the minister has a correction to make to something I said, there are ways and means by which he can do that, and I will be glad to debate it with him at the appropriate time. The minister spoke the other day about a "new Keynesianism". If the minister refuses to answer the first question, let me ask him whether by this "new Keynesianism" he means a dramatic shift in job-creation programs, because I would point out to the minister that in 1971 when unemployment was far lower than it is today, the government was spending almost three times as much money on direct job creation than it is today. Is that a definition of the "new Keynesianism"?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I have never talked about "new Keynesianism." Maybe the hon. member could tell me what he means by that.

TAXATION OF PROFITS OF CHARTERED BANKS

Mr. Bob Rae (Broadview-Greenwood): Madam Speaker, I am simply relying on a report of what the minister had to say

about his economic policies which came during that famous lunch held across the river in Quebec the other day. Perhaps the minister cannot remember exactly what he said as a result of the lunch.

● (1425)

Some hon. Members: Oh, oh!

Mr. Rae: However, this is the only report on which we can rely in terms of what he said.

An hon. Member: That was a cheap shot.

Mr. Rae: It was neither a cheap shot nor a cheap lunch, Madam Speaker.

My final supplementary question has to do with the banks. I would like to ask the minister how he can possibly justify his failure to take action on the profits of the banks when it has been clearly established that, of the five most profitable banks in the western world, four of them are Canadian banks, and the most profitable bank, the Royal Bank of Canada, has a return on capital which is three times greater than the most profitable Swiss bank. How can the minister possibly justify his refusal to take action against the banks when he has those kinds of profitability figures available to him?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, the hon. member has once again raised the question of taxing the banks. Perhaps he would examine the role of the Small Business Development Bond and the role of term preferred shares and income debentures in financing investment in this country. And has he reflected on the fact that at this time a tax which he put forward would obviously have the effect of closing off, for example, the use of the Small Business Development Bond which depends upon the after tax financing system which flows from that bond? Has he reflected on how is it possible for the banks, through the bond, to offer small business men rates of interest about half the effective market rate of interest? What he is proposing would have the effect of raising the effective rates of interest to small business men in this country. Like all his other rhetorical questions, they have very little substance and very little analysis.

Some hon. Members: Oh, oh!

* * *

[*Translation*]

ENERGY

INQUIRY WHETHER GAS INCREASE IN QUEBEC WILL AFFECT PAYMENTS TO EASTERN PROVINCES

Mr. Irénée Pelletier (Sherbrooke): Madam Speaker, my question is directed to the Minister of Energy, Mines and Resources. Following the substantial increase in the price of gas announced this week by the Quebec Minister of Finance, an increase of 35 cents per gallon—which is certainly the highest ever in Canadian history—could the minister tell the House whether this unusual increase will in any way affect payments to eastern provinces during the last few years in order to prevent too great a disparity in the price of gas across Canada?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, this quite substantial price increase has created a situation where the average driver in Montreal, for instance, will be paying more than those in Newfoundland, who, traditionally, have been paying higher prices than anywhere else in Canada. At the present time, the people in Quebec are being taxed more heavily than anywhere else by their provincial government, not only in the area of income tax but even at the gas pump. I can assure my hon. colleague that the Government of Canada will maintain its policy of a standard base price throughout the country, so that all Canadians can benefit from a base price for oil that is reasonable and acceptable. Unfortunately, the Government of Canada has no control over taxes levied by provincial governments, including the PQ government in Quebec City.

* * *

[*English*]

THE BUDGET

IMPACT ON SMALL BUSINESS

Mr. Otto Jelinek (Halton): Madam Speaker, my question is for the Minister of Finance. In his budget last week the minister attempted to point out a myth whereby the rich would suffer while middle class Canadians and small business would benefit, in other words, his Robin Hood approach to tax reform.

Now a number of nationally recognized accounting firms, including Dunwoody & Company, have in fact determined that the majority of small business men, who are already in dire straits, are saddled with considerably higher income taxes, some 20 times higher than last year, while the wealthy in the $200,000 and $300,000 bracket will in fact enjoy a reduced rate, as indicated in detail by this paper from Dunwoody & Company. It is not exactly the picture the minister tried to paint last Thursday. I therefore would like the minister to justify to this House, and particularly to the small business men who are already suffering as a consequence of the government's economic policies, this absolute reverse, contradictory and negative effect his budget is now having on the small business sector.

● (1430)

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I will welcome at a later date the opportunity to outline in detail the impact of the budget on small business in the country and, in particular, to answer point by point the unjustified allegations made by Mr. Bulloch as to the impact of the budget on small businesses. The fact of the matter is that, over all, the budget measures

have complied, as well as we could, to the representations Mr. Bulloch made to us prior to the budget.

Over all, the budget flows considerable benefits into the small business community and, if the hon. member wants me to take the time later I will be happy to go into great detail to demonstrate to the small business men of this country that the budget is a very positive help to them in the current circumstances. Indeed, if I may say so, budget policies have already had the impact of reducing the bank rate substantially.

Some hon. Members: Oh, oh!

Mr. MacEachen: That in itself will have a beneficial effect on small business.

Some hon. Members: Hear, hear!

Mr. Jelinek: Madam Speaker, anyone who believes that small business has not been hurt by this minister's budget is either a fool or a Liberal.

An hon. Member: Both.

Mr. Jelinek: It was not just John Bulloch who came out with these statistics. Dunwoody, Clarkson Gordon and most other chartered accounting firms in this country know that the minister's policies are hurting the small business sector.

REQUEST FOR INTRODUCTION OF MINI BUDGET

Mr. Otto Jelinek (Halton): Madam Speaker, now that the minister has admitted two mistakes in the last two days which, to his credit, he has corrected, will he now assure this House that he will either introduce a mini-budget in the very near future or make a new economic statement in order to rectify the inequities which have resulted from last Thursday's budget which are damaging the small business sector and hurting low and middle-income Canadians? Will he do that, and will he give that assurance to this House today?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): No, Madam Speaker, but what I will do at the first opportunity is discuss in detail with hon. members in the House of Commons the impact of the budget which, in the main, is to establish within the tax system more justice, and to ensure that those in lower-income brackets and middle-income brackets are not carrying a disproportionate share of the tax burden in this country, and that those workers who depend entirely on employment income and who must pay fully on their employment income through the tax system are not, when compared with other taxpayers, put into a situation of inequity. That is the broad thrust of the budget, and that is the budget I will defend. If hon. members can make proposals to me in Committee of the Whole which would improve the operation of any of these measures, obviously I will consider them.

With respect to certain corporate organizations I issued yesterday transitional rules or grandfather clauses which are often the result of tax changes, and I will continue to make such adjustments as required. But I assure the hon. member that I will not withdraw from the basic thrust of this budget, which is to establish a long needed reform in the direction of social justice in the tax system.

* * *

AGRICULTURE

REQUEST FOR PROGRESS REPORT ON INTRODUCTION OF BEEF STABILIZATION PROGRAM

Mr. Bert Hargrave (Medicine Hat): Madam Speaker, I have a question for the Minister of Agriculture. Last Monday I was prepared to welcome the minister home from Rome and the FAO meetings, but today I think it is much more important to welcome him home to the extremely serious and critical situation in Canada's total beef cattle industry. That situation is so critical that I have reluctantly come to the conclusion that today our cattle situation is more serious than it was 40 years ago when we had ten years of depression, drought and despair, throughout the thirties. I say that very sincerely because today—

Madam Speaker: Order. I can see that the hon. member has a few pages to read. I ask him, please, to put his question now.

Mr. Hargrave: Madam Speaker, is the minister now prepared to indicate what progress he is making to establish a national harmonized beef stabilization program for the total year of 1981—when it is concluded, of course—which would involve the governments of the cattle provinces, the cattle producers themselves, the federal department and the minister's staff, and has he arranged to meet with the cattle producers to plan this stabilization program?

Hon. E. F. Whelan (Minister of Agriculture): Madam Speaker, I am sure the hon. member is aware that I recently mailed letters to all the beef producers in Canada. I believe there was a total of 140,000 letters. Included with them were questionnaires asking producers their personal opinions on what they think I should do. I believe there were five questions asking what I should do about the condition the red meat industry is in at present.

I agree to some extent with what the hon. member said about the economic condition of the industry, but many of the leaders in that industry have said that we should follow the system of marketing which has existed for years, and that we should not change it in any fashion or form. As far as I am concerned, producers have not been led down a golden path; it has been a bad economic path. We are trying to come up with some kind of plan which will make their economic return what it should be. I know that is what the hon. member wants. I want that and, for the good of the whole nation, we all want it.

Mr. Hargrave: Madam Speaker, those same leaders of the cattle industry will be very disappointed today that the minister did not respond to my question about a specific date for a meeting with the cattle producers.

REQUEST THAT SURVEY RESULTS BE PUBLISHED

Mr. Bert Hargrave (Medicine Hat): Madam Speaker, my supplementary question refers to that questionnaire the minister sent out over his signature to 140,000 cattle producers in Canada, and that includes 53,000 dairy producers. Will the minister's response, when it comes out, be made public? Will the totals be given for each sector within the cattle industry? For example, will he give the figures for the dairy industry, and the total response to that questionnaire?

Hon. E. F. Whelan (Minister of Agriculture): Madam Speaker, the hon. member asks about what kind of plan I was proposing. I had the authority of the government to propose, and we did propose to producers in 1977, a 100 per cent harmonization not only for beef products but also for pork products and all other agricultural products. The cattlemen's association turned that down at that time saying that it was too rich, that it would cause overproduction and so forth. The hon. member should not say I have never offered them anything. I offered that to them on behalf of the Government of Canada, and they turned it down. Now they are asking me to come up with a plan. We had a plan for them over four years ago, but they did not accept it. That was one of the best plans ever proposed by any country in the world.

We are trying to make sure we do the right thing and, naturally, the facts we obtain from that questionnaire will be made public just as soon as they can be tabulated. The dairy industry provides about 25 per cent of the beef for the consumers of Canada and provides some of our meat exports to the United States of America, so that industry ought to be consulted too, and it is being consulted. The names of dairy producers are being kept separate in the computers because those names were taken from the dairy records we keep. It may not be a perfect mailing list, but it is as good as we can make it.

* * *

FISHERIES

REPORTED OFFER OF OFFSHORE QUOTAS—EAST COAST COMPANIES

Mr. Ted Miller (Nanaimo-Alberni): Madam Speaker, my question is directed to the seatmate of the Minister of Agriculture, the Minister of Fisheries and Oceans. Canadians have long believed that the fishing industry is a common property of all Canadians, but the Minister of Fisheries and Oceans is drastically changing that concept of the fishing industry, particularly at the moment on the east coast. There are meetings currently going on which will turn the common property of that resource offshore over to a consortium of four companies—Nickerson's, National Sea, the Lake Group and Fishery Products—in terms of a transfer of a property right which they will be able to trade, barter, borrow or sell.

● (1440)

I would like to ask the Minister of Fisheries and Oceans if he can confirm that an offer has been made to those companies to take company quotas. If that is the case, will the minister advise how he is going to ensure jobs in the offshore fisheries if those companies have that right and develop a monopoly of offshore fisheries to the exclusion of any other companies?

Hon. Roméo LeBlanc (Minister of Fisheries and Oceans): Madam Speaker, the hon. member's question underlines the difficulty of consultation where proposals are made, debated, and then judgments reached. This suggestion was put forward and discussed quite seriously by all segments of the industry. It was put forward at a meeting where fishermen, companies big and small, provincial governments and, of course, the federal government, were represented. I have not had a report on the reaction to this suggestion. When and if I receive that report, I will obviously have to assume my responsibility. I want to make it clear to the hon. member that, if this suggestion is adopted, it will be on a trial basis. No one intends to give away the resources of the people of Canada.

MANAGEMENT OF RESOURCES

Mr. Ted Miller (Nanaimo-Alberni): Madam Speaker, in view of conditions in the east coast offshore industry and the Atlantic groundfish plan whereby the companies obtain their quota in a very short period of time, overstocking their warehouses and running into financial difficulties because of the interest rate policy of the government, does the minister feel he and his department are more competent than those companies which overfished last year at managing that offshore fishery?

Hon. Roméo LeBlanc (Minister of Fisheries and Oceans): Madam Speaker, if the hon. member looks at the figures of the fishery for January and February, he will see that what happened was a race for the fish and a lack of discipline. If we were able on a trial basis to allocate a fair share to the four major companies which run the offshore trawlers without affecting the inshore fishermen, the responsibility would be on their shoulders to ensure the best utilization of the resource for the markets that are available, rather than this mad race to catch fish because of the belief that, if they do not catch the fish today, somebody else will.

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MARINE TRANSPORT

CUT IN FERRY SERVICE BETWEEN NEWFOUNDLAND AND NOVA SCOTIA

Hon. James A. McGrath (St. John's East): Madam Speaker, my question is directed to the Minister of Transport. On November 16 the minister ordered CN Marine to reduce by one the two ferry service operations they currently have as a summer operation between eastern Newfoundland and Nova Scotia. That decision was taken at a time when the govern-

ment should be considering restoring that service to a year-round operation. Why did the minister take one of those ferries off that very important service?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, the main reason, and the obvious one, is the optimization of the use of federal money for transportation in Newfoundland, which amounts to almost $200 million at this time. The *Marine Cruiser* had more or less come to the end of its useful days. It would have had to be replaced with one that would have cost $50 million or more. The degree of subsidization for this service is very high, 80 per cent. For example, it is estimated that a trip made on that route by a family of two adults, two children in one car, costs the Government of Canada more than $1,000. We also considered the fact that there was capacity available at Port aux Basques going to North Sydney. Looking at all these factors, we made the decision we did.

I want to underline the fact that the $4.5 million which will be saved will be kept in the Newfoundland envelope and used in the best way in the future. This was all to be part of a package to be announced jointly by the federal government and the provincial government. However, as the hon. member knows, at the last moment the government of Newfoundland decided not to be associated with the less interesting aspects of this package deal. In the coming days we will make more pleasant announcements.

Madam Speaker: That's quite an answer.

FUTURE OF FERRY SERVICES

Hon. James A. McGrath (St. John's East): Madam Speaker, the minister in his reply is invoking the Otto Lang user-pay concept. That is disturbing. I want to ask this question. If the minister is using the Otto Lang user-pay concept to cancel this very important service at a time when it should be extended year-round, will he advise what other Atlantic provinces marine ferry services will be cut back now that he has resurrected the Otto Lang user-pay concept?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, I do not know to what extent I look like the former minister of transport. I am trying to make the best possible use of the money that is now available for Newfoundland in terms of existing assistance, and in terms of new money that the federal government is willing to put on the table. That is what I am trying to do. As my hon. friend knows, I have been in discussion with Newfoundland on that subject for the best part of nine months. We developed a package deal which is advantageous to Newfoundland. That package will be announced in the coming days. The government of Newfoundland, and I regret it very much because it is a regressive move, refused to be associated with some of the announcements, but is very keen to be associated with those that are coming which, I repeat, will be more interesting than the one referred to by the hon. member.

[*Translation*]

REGIONAL ECONOMIC EXPANSION

NEW ZINC SMELTER PLANT IN RESTIGOUCHE

Mr. Maurice Harquail (Restigouche): Madam Speaker, my question is directed to the Minister of Regional Economic Expansion. Further to the statement made by the Minister of Finance last week concerning economic expansion on the north shore of New Brunswick, to announce confirmation by Noranda that a new factory would be built, could the minister inform the House how this will benefit the people of the area, considering the capital investment of over $300 million and the 50 per cent tax credit contained in the 1980 budget?

[*English*]

Can he inform the House of the direct benefits to the citizens as a result of the tax credit contained in the budget of 1980, and the other benefits—

Madam Speaker: Order. I think the question has been translated.

[*Translation*]

Hon. Pierre De Bané (Minister of Regional Economic Expansion): Madam Speaker, first I should like to congratulate the hon. member on his tireless efforts in connection with this project, which has been qualified by the Premier of New Brunswick himself, and I quote:

[*English*]

"—one of the best pieces of news for New Brunswick in many years."

[*Translation*]

And I agree! During the construction phase, this project which is worth over $360 million, will provide work for 1,500 person-years. Subsequently, there will be permanent jobs for over 400 people. After years of hard work, this project has come through today because of the Minister of Finance's decision to grant a 50 per cent tax credit to a region that is among the most disadvantaged in Canada. I can say that in the past year, thanks to that decision we have been able to announce projects worth about $1 billion altogether in the northeastern part of New Brunswick.

* * *

[*English*]

CANADIAN SOVEREIGNTY

ACTIONS OF CZECHOSLOVAK GOVERNMENT AFFECTING CANADIAN CITIZENS

Hon. Elmer M. MacKay (Central Nova): Madam Speaker, my question is for the Secretary of State for External Affairs. As the minister knows, the Czechoslovak Association of Canada has made repeated submissions since 1977 to the Minister of External Affairs, and even to the Prime Minister, asking for an end to the actions by which the Czechoslovak

government intimidates Canadian citizens, collects personal information for possible use in espionage and blackmail, and extorts considerable sums of money. Will the minister tell the House, and concerned Canadians of Czech and Slovak origin, whether the government has taken any effective steps to end these despicable and dangerous practices or whether the government, while engaging in unproductive negotiations, has in fact allowed the Prague communist regime to perpetuate its activities in Canada?

Hon. Mark MacGuigan (Secretary of State for External Affairs): Madam Speaker, I am not aware of any such activities by the Czechoslovakian government in Canada at the present time. My hon. friend may be referring to the fact that the government of Czechoslovakia so far has not been prepared to sign an agreement with Canada concerning the problem of dual nationality. It does have such an agreement with the United States, but dating from pre-communist days, not one that was entered into by the communist government. The government is continuing its efforts to negotiate such an agreement at the present time.

● (1450)

PROCEDURES SURROUNDING ISSUANCE OF CZECHOSLOVAKIAN PASSPORTS

Hon. Elmer M. MacKay (Central Nova): The minister is aware, of course, that they have been negotiating with this government for a long time, as far back as 1979. Is the minister aware that Czechoslovak passports are issued to Canadian residents of Czech and Slovak origin for travel to eastern Europe; and that this process involves the completion of a lengthy and intimate questionnaire, a personal interview by an officer of the Czechoslovak diplomatic service, and the signing of a statement of allegiance to the Czechoslovak Socialist Republic? Why was the provision in the Canadian Citizenship Act, which had a very salutary effect on this sort of thing and protected Canadian citizens of Czechoslovak origin and other nationalities from this kind of treatment undermining our country's sovereignty taken out of the Canadian Citizenship Act in 1976?

Hon. Mark MacGuigan (Secretary of State for External Affairs): Madam Speaker, the hon. gentleman and I have approximately the same knowledge as Members of Parliament had about what happened in the Canadian Citizenship Act at that time. As I recall, I was the only member of the committee at that time who objected to those changes. All of the other hon. members of his party and of mine agreed with them. I am not sure that the hon. member should be addressing that question to me. I can assure the hon. member that we are doing our best to protect Canadian citizens in a trying situation.

TRAVEL BY PUBLIC SERVANTS USING NON-CANADIAN PASSPORTS

Mr. Donald W. Munro (Esquimalt-Saanich): Madam Speaker, my question is directed to the Right Hon. Prime Minister. I am not sure whether the Prime Minister listened to the earlier questions; however, I am addressing my question to him in his capacity as Prime Minister and as chairman of the cabinet committee on security and intelligence. Will the Prime Minister tell us whether it is the policy of the government to allow federal public servants and employees of Crown corporations, as well as employees of industries with defence contracts, to travel to eastern Europe not using their Canadian passports, because presumably they are all Canadians, but passports issued by a communist country which declare them to be citizens of that country?

Right Hon. P. E. Trudeau (Prime Minister): The hon. member is right. I had not been listening to the previous questions. I will look into the matter.

LEGAL CONSEQUENCES OF TRAVELLING WITH CZECHOSLOVAKIAN PASSPORTS

Mr. Donald W. Munro (Esquimalt-Saanich): If the Prime Minister was not listening, I will direct my supplementary question to the Solicitor General. I am wondering whether he is aware of these practices and whether he considers such behaviour compatible with continuing employment in these sensitive positions? Finally, does the Solicitor General intend to make it clear, for the benefit of those who may be tempted to submit to the Czechoslovak regime's blackmail, that they may be undermining the sovereignty of this country, and the Public Service Employment Act, and also running the risk of contravention of Section 3 of the Official Secrets Act?

Hon. Bob Kaplan (Solicitor General): Madam Speaker, obviously we maintain in the security service a continuing interest in the national security question that the hon. member has raised. I am aware of particular cases where Canadians of dual nationality have been pressured by foreign governments in one way or another. I take this opportunity to indicate to hon. members, as I have in the past outside this House, that the Canadian government does take an interest with regard to that problem.

I would hope that any holders of Canadian citizenship papers or passports who are also holders of passports of eastern European countries or other countries would want to bring to the attention of the government any kind of pressure that is being exerted on them by agents of foreign governments.

* * *

THE BUDGET

REQUEST FOR REFERRAL TO STANDING COMMITTEE

Mr. Nelson A. Riis (Kamloops-Shuswap): Madam Speaker, my question is directed to the Minister of Finance. The minister will be aware that as the details of his budget become known and understood by Canadians, it will result in growing confusion and a growing negative response. If the minister has confidence in his budget, as he says he does, would he be prepared to refer the budget immediately to the Standing

Committee of Finance, Trade and Economic Affairs for study, and to allow witnesses to appear and react to his budget so that its implications may be clearly understood and that its benefits may be clearly identified?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I thought that hon. members would much prefer to have the budget discussion held in the Committee of the Whole House. That provides members with an opportunity to raise the points they have in mind. For the last budget I did agree to have certain tax measures sent to the committee. In these circumstances I believe that the Committee of the Whole is preferable. However, I will keep the hon. member's suggestion in mind.

* * *

THE CONSTITUTION

REQUEST THAT PRIME MINISTER MEET WITH LEGISLATIVE COUNCIL OF NORTHWEST TERRITORIES

Mr. Peter Ittinuar (Nunatsiaq): Madam Speaker, my question is directed to the Right Hon. Prime Minister. In light of an unprecedented move by the Northwest Territorial Legislative Assembly to travel en masse to Ottawa in protest against the absence of aboriginal rights in the November 5 accord, as well as other concerns, will the Prime Minister acknowledge the significance of that move by meeting with the Territorial Council before the end of this week?

Right Hon. P. E. Trudeau (Prime Minister): Yes, Madam Speaker.

* * *

ADMINISTRATION OF JUSTICE

PROCEEDINGS IN MONTREAL COURT CASE

Hon. Allan Lawrence (Durham-Northumberland): My question is directed to the Prime Minister, if I may get his attention. It relates to the intervention by two lawyers in a court case in Montreal yesterday, allegedly on the instructions of the Government of Canada, in which they attempted to restrict testimony of two ex-RCMP security officials. Whom do lawyers Joseph Nuss and Michel Robert represent? What are their instructions? Why are they engaging in heated and vigorous arguments to restrict testimony in a criminal prosecution?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I think the hon. member has some knowledge of law and of court practice whereby he would know that it would not be appropriate for me to comment on the proceedings. As to who the people are and what their positions are, I will inquire, Madam Speaker.

NATURE OF PROCEEDINGS

Hon. Allan Lawrence (Durham-Northumberland): My supplementary question is directed to the Prime Minister. The Prime Minister will appreciate that I was not talking about the substance of the argument, nor of the evidence. I was asking what the instructions were to the two lawyers. Of course the main testimony of yesterday related to evidence from prime ministerial aide of 14 years ago, with no foreign involvement, no cabinet order, and no prime ministerial directive; therefore, no cabinet secrecy was involved. I ask the Prime Minister again, and he should know, why is there this continuing attempt to gag a court from inquiring into the same circumstances as this Parliament has been gagged and a royal commission has been gagged?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, it seems to me that the substance of the question is evidence itself that the hon. member is engaging in the substance of the matter being discussed there. He is asking me why lawyers are pleading certain things in front of the court. Madam Speaker, if that is not intervening in the court, if that is not an intervention by a member of Parliament in a due process of law, I wonder what is.

* * *

THE BUDGET

EFFECT ON INCOME DERIVED FROM LIFE INSURANCE POLICIES

Mr. Peter Lang (Kitchener): Madam Speaker, my question is directed to the Minister of Finance. In the interest of furthering equity in the tax reform contained in the budget, would the minister consider restructuring the closure of the tax expenditure relating to tax of unrealized income from life insurance policies?

Some hon. Members: Oh, oh!

Mr. Lang: Madam Speaker, over 80 per cent of these life insurance policies are held by individuals earning less than $25,000 a year. The purpose of their purchasing these policies is to take financial responsibility in looking after their dependants. I wonder if the minister would consider refining his closure of this tax expenditure.

Some hon. Members: Hear, hear!

● (1500)

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I thank the hon. member for supporting the budget measures last night. In view of that support I would be happy to consider any refinements that can be possible in these measures.

PETITIONS

TABLING OF REPORTS OF CLERK OF PETITIONS

Madam Speaker: I have the honour to inform the House that the Clerk of the House has laid upon the Table reports of the Clerk of Petitions stating that he has examined the petitions presented by hon. members on Wednesday, November 18, 1981, and finds that they meet the requirements of the Standing Orders as to form.

* * *

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. Nielsen: Madam Speaker, I should like to direct the usual question to the government House leader, although in view of the fact that we will be having a House leaders' meeting this afternoon, he might not be able to enlighten members too much.

Presumably the first day of debate on the new Constitution will be tomorrow. Could I ask him if we will be going on with that debate next week or whether we will be finalizing the last two days of the budget debate on Monday and Tuesday?

[*Translation*]

Mr. Pinard: Madam Speaker, I wish to confirm that we shall start the debate on the new constitutional resolution tomorrow, Friday, and that the debate will continue next Monday and the days following. We shall interrupt the debate very briefly—if it has not yet ended—next Wednesday to complete the fifth day of debate on the budget. Thursday, if necessary, we shall resume debate on the constitutional resolution. Next Thursday I shall be in a better position to advise my colleagues on what the business of the House will be for the subsequent days and weeks.

[*English*]

Mr. Nielsen: I wonder if the government House leader would mind explaining why we do not complete the remaining two days of budget debate, rather than having one day next week and leaving the other day hanging?

[*Translation*]

Mr. Pinard: Madam Speaker, under Standing Order 18(2), the government has the right to determine the order of business in the House, and since we shall be having a meeting later on today, perhaps this could be discussed at that meeting.

[*English*]

Mr. Robinson (Burnaby): Madam Speaker, my question relates to government business. I should again like to ask the President of the Privy Council when he intends to bring forward Bill C-53, the long overdue legislation respecting sexual offences. As he will know, we on this side of the House in the New Democratic Party have agreed to a very short debate in order that the bill can go to committee. It is my

understanding that the government is similarly in agreement. Will the President of the Privy Council indicate what the status of this important legislation is and why it is that Canadian women have to continue to wait for legislation which will redefine rape as a violent assault as opposed to a crime of passion?

[*Translation*]

Mr. Pinard: Madam Speaker, the committee concerned already has a bill under consideration namely the access to information bill, and I have been told that work is progressing slowly but surely. In any case, regarding the bill to which the hon. member is referring, I should like to say once more what I have stated publicly in the House during previous weeks and months, namely that as far as the government is concerned, we are prepared to proceed with the second reading of this bill as soon as possible, that is, we are prepared to arrange with the opposition parties to limit the debate to one day, before sending the bill to committee. The House is aware of this, and I am prepared, whenever I have the opportunity again, to put forward this proposal to my colleagues. But it is not up to the government alone to give its agreement. I need the co-operation of the hon. member's party and of the Progressive Conservative Party. Now, we have several bills which should not be too controversial, which are to be considered at the appropriate time, preferably on Fridays, and I can assure the hon. member that this bill is included on the list.

[*English*]

Mr. Young: Madam Speaker, I should like to ask the government House leader if he can give us any indication when we could expect to see the amendments to the Human Rights Act to prohibit discrimination against disabled Canadians other than in the area of employment. As he may know, the Minister of Justice assured representatives of COPOH several weeks ago that the legislation was about to be brought into the House.

[*Translation*]

Mr. Pinard: Madam Speaker, I shall consult my colleague, the Minister of Justice and I hope to be able to report on this to the hon. member within a reasonable period of time.

[*English*]

Mr. Nielsen: Madam Speaker, in order to enable us to prepare for tomorrow, I wonder whether the government House leader can enlighten us on whether the Prime Minister, who presumably will take part in the debate, or whoever leads off for the government, will introduce any amendments to the resolution that is now on the Order Paper and, if so, could we have copies of them?

[*Translation*]

Mr. Pinard: Madam Speaker, the resolution has been tabled, it is on the Order Paper and we are supposed to meet this afternoon to discuss procedures for the debate. The

amendments issue is on the agenda, and I shall be happy to discuss this item at the meeting. I cannot confirm whether the Right Hon. Prime Minister will speak or when he will speak. At this point I am not in a position to confirm whether the government is to introduce one or several amendments. This will all be discussed at our next meeting, and I cannot further enlighten the member for Yukon at this time.

[*English*]

Mr. Waddell: Madam Speaker, I should like to ask the government House leader what happened to Bill C-48. Has it slid into welcome oblivion, or is it still with us and when are we going to vote on it?

[*Translation*]

Mr. Pinard: Madam Speaker, as far as we are concerned, if there is unanimous consent in the House, we are willing to vote immediately on the third reading of Bill C-48.

[*English*]

Mr. Hnatyshyn: Madam Speaker, on a matter of House business, I want to ask the government House leader to report to the House with respect to legislation that was promised in the Speech from the Throne relating to the inclusion of disabled persons in the Canadian Human Rights Act, in view of the fact that this is the International Year of the Disabled. The minister's parliamentary secretary was chairman of the task force on this matter and I know he will have advised him. Is the minister prepared to indicate whether the government will at least table the proposed amendment to the Canadian Human Rights Act on the basis of the Speech from the Throne in this International Year of the Disabled?

[*Translation*]

Mr. Pinard: Madam Speaker, I believe the Minister of Justice met with the people concerned on or about November 10. I feel it would be in order for me to consult him before answering the hon. member's question.

ROUTINE PROCEEDINGS

[*Translation*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, the following questions will be answered today: Nos. 1,841, 1,932, 3,150, 3,191, 3,247 and 3,250.

I ask, Madam Speaker, that the remaining questions be allowed to stand.

[*Text*]

PUBLIC ATTITUDE TO FOREIGN AID

Question No. 1,841—**Mr. Clarke:**

1. With reference to the Department of External Affairs information Service Study No. T0061 (a) on what date was the questionnaire prepared and (i) were recipients given more than six days to respond to the questionnaire and, if not, for what reason (ii) how were the recipients selected (b) what is the information to be used for (c) for what reason does the minister feel that such a study was necessary (d) will the information gathered be used in designing an advertising campaign?

2. What was the total cost of the study?

3. Will the results be made public and, if so, on what date?

4. Has the department undertaken other studies and, if so (a) what was the subject in each case (b) what was the estimated total cost?

Hon. Mark MacGuigan (Secretary of State for External Affairs): 1. (a) The questionnaire was prepared in October, 1980, at the request of the Secretary of State for External Affairs. (i) Respondents were asked to reply by November 12, 1980. In some cases, this was not more than six days. It was felt that a deadline was required to urge as quick a response as possible. Nevertheless, responses received after the November 12 deadline were accepted. (ii) Recipients were selected as representative public opinion leaders across the country.

(b) and (c) The information gathered will serve to increase and broaden the Secretary of State for External Affairs' and the department's awareness of public attitudes and ideas on foreign aid. The SSEA feels it is important to consult with the public about this at a time when relations with developing countries are gaining increased importance in Canadian foreign policy as well as in world affairs.

(d) The intention was not to use the results of this survey to design an advertising campaign.

2. $4,500.

3. The results will be made available to the public upon request after November 12, 1981.

4. Yes. The department undertook in 1978-79, a study entitled: "Canadian Public Awareness of World Affairs and Foreign Policy Issues". The report was published in 1980. The estimated cost was $20,000. In addition, CIDA has undertaken in 1980 a related study on "Canadian Attitude Towards Foreign Aid".

TRANSPORTATION SUBSIDIES ON NEWFOUNDLAND TRAFFIC

Question No. 1,932—**Mr. Herbert:**

1. What was the cost in the last year for which information is available, of government transportation subsidies on Newfoundland traffic?

2. Do the costs include losses incurred by the Canadian National Railway and, if not, what was the cost to the Railway?

3. What are the estimated costs for the current fiscal year?

Mr. Robert Bockstael (Parliamentary Secretary to Minister of Transport): In so far as the Canadian Transport Commission is concerned, the following information is provided in relation to payments under the Atlantic region freight assistance program.

1. Payments certified for fiscal year 1979-80: (a) motor vehicles and water carriers domiciled in the province of Newfoundland $3.2 million, (b) Canadian National during the same period received $19.2 million. However, such amount relates to total movements performed within the entire Atlantic region and cannot be segregated for Newfoundland traffic only.

2. See part 1(b).

3. Payments for fiscal year 1980-81: (a) Motor vehicle and water carriers domiciled in the province of Newfoundland received $3.6 million, (b) Canadian National Railways received $17 million for movements performed within the entire Atlantic region. This amount cannot be segregated for Newfoundland traffic only.

In so far as Transport Canada is concerned, the following information is provided in relation to water transportation subsidies on Newfoundland traffic:

1. Payments for the 1979-80 fiscal year:

CN Marine	1979-1980
North Sydney to Port aux Basques	$32,877,577
Newfoundland coastal service	26,405,962
North Sydney to Argentia	6,752,687
CNR	
North Sydney to Port aux Basques	23,407,000
	$89,443,226
Newfoundland Steamships Ltd.	
St. John's–Corner Brook to Montreal	4,029,750
Northern Cruiser Ltd.	
St. Barbe to Blanc Sablon	569,831
	$94,042,807
Province of Newfoundland—grant	$ 1,400,000

2. Yes. As illustrated the subsidies include payments to the Canadian National Railway Company pursuant to contracts with Her Majesty to pay the costs of rail/water and narrow gauge/standard gauge interface, ferries and terminals. In addition, we are informed that for the year 1979-80 CNR absorbed losses of its Newfoundland division, TerraTransport, of approximately $28 million for which no government subsidy was available.

3. The estimated costs for the 1980-81 fiscal year are:

CN Marine	1980-1981
North Sydney to Port aux Basques	$36,386,000
Newfoundland Coastal Service	30,172,000
North Sydney to Argentia	9,011,000
CNR	
North Sydney to Port aux Basques	20,412,000
	$95,981,000
Newfoundland Steamships Ltd.	
St. John's & Corner Brook to Montreal	4,000,000
Northern Cruiser Ltd.	
St. Barbe to Blanc Sablon	603,500
	$100,584,500
Province of Newfoundland—grant	$ 1,544,625

In addition, we are informed that for the year 1980-81 CNR expects its Newfoundland division, TerraTransport, to lose approximately $30 million for which no government subsidy will be available.

INSURANCE ON BANK ACCOUNTS AND TERM DEPOSITS

Question No. 3,150—**Mr. Cossitt:**

With reference to the answer to question No. 2,628 which stated that the government is considering raising the limit of insurance on bank accounts and term deposits from the present limit of $20,000 and that a government policy will be announced "in due course", what is a definition of the phrase "in due course" and what is the target date, if any, for the government to make known whether such a change will be made in order to protect depositors more adequately, due to larger deposits brought about by the sinking value of the dollar?

Hon. Pierre Bussières (Minister of State (Finance)): In so far as the Minister of Finance is concerned, I have been advised by the Canada Deposit Insurance Corporation that I am not in a position to indicate at this time what action, if any, will be proposed to Parliament with regard to changing the present $20,000 deposit insurance limit. However, the government plans to introduce revisions to the Trust Companies Act and the Loan Companies Act in the not too distant future and it would seem appropriate that any discussion by Parliament of the adequacy of the present limit should take place at that time.

SSEA—ENTERTAINMENT EXPENSES

Question No. 3,191—**Mr. Cossitt:**

1. In each of the past four years, what was the total amount spent by the Department of External Affairs on receptions, including entertainment, liquor and wine (a) outside (b) inside Canada?

2. In each case (a) what was the total for the four years (b) were only Canadian beverages served and, if not, for what reason (c) is it government policy to serve only beer, liquor, wines and liqueurs that are produced in Canada at our foreign establishments and, if not, for what reason?

Hon. Mark MacGuigan (Secretary of State for External Affairs):

		Outside	Inside
1.	1977-78	3,535,841	833,439
	1978-79	3,981,483	723,957
	1979-80	4,009,374	340,876
	1980-81	4,655,445	1,029,977
2. (a)	1977-78	4,369,280	
	1978-79	4,705,440	
	1979-80	4,350,250	
	1980-81	5,685,422	

(b) and (c) During hospitality extended in Canada, the department serves as far as possible, Canadian beverages such as rye whisky, gin, and Canadian wine and beer. However, there are times when the demands of the menu or the tastes of the foreign guests predominate and on those occa-

sions, foreign wines are served. Canadian Heads of Missions abroad are encouraged to become acquainted with Canadian wines in order that they may use them as part of their regular representational programs. As the quality and quantity of Canadian wines increase, it is anticipated that many of Canada's missions will wish to give this serious consideration. However, there are constraints of quality and economies which do not always make this a feasible proposition.

FOREIGN INVESTMENT REVIEW AGENCY

Question No. 3,247—**Mr. Cossitt:**

Since the establishment of the Foreign Investment Review Agency, how many applications were (a) approved (b) not approved?

Hon. Herb Gray (Minister of Industry, Trade and Commerce): In so far as the Foreign Investment Review Agency is concerned:

	Acquisitions (April 9, 1974—Sept. 30, 1981)	New Businesses (Oct. 15, 1975—Sept. 30, 1981)	Total
Allowed	1,504	1,461	2,965
Disallowed	171	117	288
Withdrawn	166	160	326

Question No. 3,250—**Mr. Cossitt:**

Does the Foreign Investment Review Agency refuse to give information to Members of Parliament who are making legitimate inquiries about the status of applications when such inquiries are made with the approval and at the request of both the applicant and the Canadian counterpart and, if so, for what reason?

Hon. Herb Gray (Minister of Industry, Trade and Commerce): In so far as the Foreign Investment Review Agency is concerned, it is the policy of the agency to be as co-operative as possible with all Members of Parliament who seek information about the administration of the Foreign Investment Review Act. However, under the confidentiality provisions which are set out in section 14 of the act, information about an application may not be disclosed without the express written approval of the applicant authorizing the agency to discuss the application with the Member of Parliament involved, and then only information submitted by the applicant may be discussed.

[*Translation*]

Madam Speaker: The questions as enumerated in French by the parliamentary secretary have been answered.

The hon. member for Winnipeg-Assiniboine (Mr. McKenzie) has the floor.

[*English*]

Mr. McKenzie: Madam Speaker, I should like to ask the parliamentary secretary to look into what is causing the delay in answering question No. 1,795 which I placed on the Order Paper a year ago. It is a question regarding private organizations receiving federal grants for research and development. There are some other related questions which are quite routine. I would appreciate it if the parliamentary secretary would find out why it has taken a year to answer this question.

Mr. Smith: Madam Speaker, I will take note of that representation.

Mr. McKinnon: Madam Speaker, I should like to ask the usual question about when we will get an answer to questions Nos. 2,035 and 2,519. These concern the cost of operating government aircraft for the benefit of cabinet ministers.

● (1510)

If they are never going to be answered, I wish that the House leader for the government might make a statement on motions as to why the taxpayers of Canada are apparently not to be given the information showing what they are paying for and how much it costs them to have these ministers flying wherever they are flying.

Mr. Smith: Madam Speaker, I will take due note of that representation, as well.

[*Translation*]

Madam Speaker: Shall the remaining questions be allowed to stand?

Some hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

BUSINESS OF SUPPLY

ALLOTTED DAY S.O. 58—CONDEMNATION OF LACK OF BUDGETARY JOB-CREATION MEASURES

Mr. Ian Deans (Hamilton Mountain) moved:

That this House condemns the government's budget for (*a*) not introducing new job-creation measures in the light of the largest number of pre-Christmas lay-offs experienced since the depression (*b*) the complete rejection of an effective industrial strategy to provide long-term jobs and thus a cynical reversal of the government's election promises.

He said: Madam Speaker, this morning, along with a number of my colleagues in the New Democratic Party, I met the people who travelled from various parts of the country to bring to our attention and, as I understand it, to the attention of other hon. members of the House of Commons, the plight they are facing in terms of trying to maintain any semblance of economic order in their lives. I met with people who had lost or were about to lose their homes, and with people who have lost or are about to lose their jobs, those who are faced with the bleakest of prospects. I heard them explain the impact of the economic dislocation which has been brought about by this government's policies.

I heard one young man explain how, after months and months of inadequate income levels as a result of only receiv-

ing unemployment insurance benefits having been laid off from his job of five years, and struggling to make ends meet, the inevitable happened. He and his wife, having gone through all of the human emotions which are allied with the problem of not having a job or an income, finally decided that they could no longer survive together. They separated, she and the children going to live in one place and he going to live in another place.

I heard a young man explain how someone in his plant who had been laid off and who had been faced with renewing his mortgage finally threw up his hands and committed suicide. I say to the government, although I do not want to overstate it, which is very difficult, that the result of the economic policies of this government is that not only are sane people being driven insane, but a situation is also being created in this country which makes life virtually impossible for large numbers of people.

I want to suggest to the government members who are here today that the responsibility for this policy is not only that of the Minister of Finance (Mr. MacEachen). The responsibility for this policy is not only that of the Prime Minister (Mr. Trudeau) or the cabinet. It is the responsibility of every single Liberal backbencher who does not bring to this government's attention the fact that the policies it is now following are leading to the ruination of the very citizens of the constituencies they represent.

I said to those people this morning that what galls me is that, while they suffer so terribly, there are some in our society who are living off the fat of the land and enjoying a return on their investments which is unprecedented in Canadian history. There are some who are enjoying so much at the expense of so many others, and that seems to be the direction this government is bent on following. I suggested to them that while I would obviously like to be in government, and that is probably the aspiration of any Member of Parliament or, for that matter, anyone involved in politics, at this point in time I would much rather see this government do something useful for those people than pursue the goal of defeating it. Quite frankly, I would much rather accept that it was doing something and leave it there than run the risk of further economic chaos.

I told them I thought there was only one way for them to deal with the situation confronting them, and that was that in every single community across this country they should identify the closest Liberal Member of Parliament. They should walk, go by car, car pool or bus, or if there is still a train running they should catch the train, and go to the closest Liberal Member of Parliament's constituency office or, for that matter, to his or her home. They should explain to those of you, who do not seem to realize the economic ruin they are causing many people in this country, that your policies are no longer acceptable and that you must change the direction you are following.

Some hon. Members: Hear, hear!

Job Creation

Mr. Deans: There is only one way to get through the heads of the members of the Liberal Party the fact that the country is facing economic ruination. It is to let you know, face to face, that come the next election these people will not have forgotten. These people will not be sucked in again by your promises on the election eve.

Mr. Lalonde: Stop making the children cry.

Mr. Deans: Listen—me making the children cry? If that child—

Mr. Deputy Speaker: Order, please. May I call to the attention of the hon. member that remarks are to be addressed to the Chair.

Mr. Deans: I am terribly sorry. I did not realize I was not addressing them to the Chair. I am addressing every remark I made through the Chair, believe me. I said to them that it is time they bring to the attention of this government the fact that there will be no forgiveness two years down the road when you bring in your giveaway programs in an effort to bribe people to vote for you again, hoping that their memories are short. They should make it clear that never again will any one of you return to the House of Commons unless they see some action now on their behalf.

Some hon. Members: Hear, hear!

Mr. Deans: I listened to that child cry and it was no wonder. If the child is old enough to understand what faces him or her in the future, it is no wonder—

Mr. Lalonde: Two years old.

Mr. Deans: —that the child cries.

I want to talk about certain places in Canada because two of my colleagues will talk about eastern and western Canada and the impact of this government's insane policy upon them. It seems as though the policy of the government is to create economic dislocation. It seems as though the policy of the government is to accept high levels of unemployment and high interest rates, to allow people to lose everything for which they have worked, to destroy communities, and to do little, if anything, to bring about any redirection of the economy in general.

My colleague, the hon. member for Broadview-Greenwood (Mr. Rae), during the question period earlier, raised with the Minister of Finance probably the best example of this government's wrong-headedness. In 1971, 6 per cent of the work force was unemployed, and the government spent $339 million in direct job-creation programs in an effort to alleviate the problems for that 6 per cent. Ten years later, in 1981, 8.3 per cent of the work force is unemployed. The government has committed $143 million to direct job creation.

I put the following question to the Minister of Employment and Immigration (Mr. Axworthy) who is sitting and watching, obviously interested in what I am saying. How can it be that, with 6 per cent of the population unemployed, with over one

million people looking for work, we are spending less than half what we spent ten years ago in direct job-creation programs? How can it be that we are not involved in a direct subsidization of the economy now in an effort to give people an opportunity to work, to earn a living and so meet their commitments? How can it be that all across the country, perhaps with one exception, we find plants closing down? The very heart of British Columbia and its forest industry, about which my colleague will speak later, is facing the bleakest future it has ever faced. Why is it that the fishermen and those who work in the plants on the east coast of this land are faced with unemployment levels they have never seen since the depression?

● (1520)

Why can the government not see the necessity to develop an over-all program to get those people back to work and provide them with assistance? There are people who were unable to earn enough in the summer time, their normal time to do it, to give them an income during the winter to sustain themselves. We hear from the government that it is worried about the situation, but it is not working on a program to assist those people. My colleague will speak about that a little later.

I want to tell the minister that the frustration of trying to come to grips with what it is that motivates this government is almost beyond anyone's capacity to absorb. I have tried over the last few months to think of reasons why the government would sit back and allow this kind of chaos to continue across our land. I have tried to imagine what goes on in the minds of those in the cabinet when they learn of town after town having major industries close down, laying off workers and with people having to move away. I have tried to picture what kind of response the ministers of the Crown might put forward to answer those situations. I must confess that in thinking about a response and then trying to visualize it in terms of the direction the government announced the other day through its budget, I can only come to the conclusion that the government does not understand.

Mr. Young: The government is mindless.

Mr. Deans: The government does not understand that it is dealing with the lives of individuals all across the country. I have come to the conclusion that the government thinks that somehow or another things can be expressed by way of statistics. It seems the government thinks that things are either up a fraction or down a fraction, and fractions are not real people. But people are represented by figures. The government talks about batches of computerized figures that come spewing from government ministries, but in fact there is no background, no depth or substance to that.

There is not a single community that I have visited where I have not run into the human misery people are facing as a result of what can only be described as the callous attitude of this government. I was in Newfoundland two weeks ago and I was in New Brunswick last week. I travel through Ontario regularly. I have seen that human misery everywhere.

The minister, or whoever it may be who wants to answer for all of this, must agree that it makes sense to recognize, first, that the major problem confronting the people of Canada today is the detrimental effect being felt as a result of high interest rates. The reason so many people are being laid off in the auto industry, the appliance manufacturing industry, the building industry, the shoe and apparel industry and the food industry is that friends and neighbours are unable to afford to pruchase the products manufactured because of the high interest rate policy being pursued by this government. There is no other single factor which has had such a devastating effect on our economy and on people's lives.

Let me ask hon. members, why are people not buying cars? They are not buying cars because they cannot afford to carry the interest. Why are people not buying houses? They are not buying houses because they cannot afford the payments. Today I listened to people who are about to walk away from their homes. Not only will those people lose their investment, but in some cases they will have to borrow money to pay to the mortgage holder the difference between the level of the mortgage and what the house is worth. These people will be in debt. They will be walking away from their homes. They will have lost their equity and, in addition to that, they will owe at some usurious level of interest $3,000, $4,000 or $5,000. These people will have absolutely nothing to show for their investment.

I suggest that the minister take a look at the number of plant closings and the number of lay-offs that have occurred in this country. One can draw no other conclusion than that there is insanity over interest rates.

If the government were prepared to act on behalf of Canadians using a Canadian monetary and fiscal system to create stability rather than doing what it is doing, which is following blindly in the wake of the United States government, then most of the industries that are now in the process of laying off people would no longer have to lay off people.

I spoke in the House about a week and a half ago regarding the problem in the agricultural industry. I made mention of the fact that the difficulty being faced would only become compounded in the fairly near future. Already that has come to pass. My colleague, the hon. member for Brant (Mr. Blackburn), has been struggling daily in an attempt to get some action from the government regarding the recent announcements by Massey-Ferguson. The reason that Massey-Ferguson is in such difficulty—and I do not think this is any revelation, aside from the fact the company was rather badly managed for some period of time—is because farmers cannot afford to buy the equipment Massey-Ferguson manufactures. The difficulty there is that farmers have to carry the interest rate. The rate of interest is so high that the rate of return to the farmer from the sale of his produce, or from the sale of whatever is his main source of livelihood, is not enough to carry that burden. I pointed out that over the course of the next five years if the industry does not produce it would gradually disappear. In time farmers need to replace machinery, but there would be no Canadian industry to turn to.

Again, we would have lost a major part of the economic fabric of this nation.

I suggested that concurrent with that is another very serious problem. If farmers cannot replace machinery when it is necessary to replace it, we would be facing a gradually diminishing production level. Along with that, the farmer would not be able to maintain the competitive nature of his operation. Gradually the price of food would rise. The farmer would not be able to keep his operation going in the way it should, and inevitably that would cause even further economic dislocation somewhere down the road. The lay-offs at Massey-Ferguson are the beginning of an end to an industry unless this government is prepared to take immediate action to offset it. But I do not see any evidence of this government being prepared to do that.

Let me talk about people for a moment. When 1,750 people are laid off in a place like Brantford, that is serious. The spin-off is devastating. The agriculture implement industry alone has lost some 3,500 jobs in the last year. Those jobs have just disappeared from the marketplace in Brantford. There is nothing to replace them. Those people still have to pay their bills and their taxes. They still have to feed their families.

• (1530)

You might ask me, Mr. Speaker, why do they not go and find jobs some place else? Where are they going to find those jobs? Are they going to go to Chatham, perhaps, where International Harvester has just laid off 600 people, where Motor Wheel has just laid off 149, and where Rockwell laid off 500? They can just go down the street a way and they will find that the very same situation which exists in the community they live in exists in the community beside them. Will they go to Hamilton and attempt to get a job there, where plants are laying off large numbers every day? Where do they go? Perhaps they should go to Toronto and apply at McDonnell Douglas, or maybe they will drop into Windsor and see if they can get jobs with Chrysler. Maybe they will come to Oakville and knock on the door of Ford. All these companies have been laying off by the thousands. Maybe they will decide to uproot their families and travel to the opposite end of the country, British Columbia, and try to find jobs in the forest industry, only to find that the forest industry is not working.

What kind of insanity is it when the government cannot see that there is a serious and tragic problem all across this country? If this problem was isolated to one geographic area I would say there perhaps could be an excuse for the government not dealing with it. But the fact of the matter is that it exists in every single community; it is at the very core of the community, and generally speaking in the small communities it is the major employer who is on the way out.

I want to say to the minister and the government that there is a way that we can bring some sense to this lunacy. Let me suggest, to begin with, that this government should now undertake an inventory of every single project that has any social value in every community across this country. The government should take a look at how one could reasonably fund those projects at this time, to move them forward in time and begin them now rather than two years from now in order to initiate that economic stimulation which would take place.

I am not talking about pouring dollars into useless things, but when there are undertakings that obviously will have to be proceeded with over the course of the next two or three years I would urge the government to compile a listing and begin now to make available the necessary capital to start those projects.

I want further to suggest that there are sufficient numbers of people who are unemployed in this land and looking for work that we could begin, in an effort to meet what is now becoming a housing crisis with vacancy rates down below 1 per cent in most metropolitan areas, to build the homes that those people need, using the products of this country and the productive capacity of those people who are unemployed.

I want to suggest to the government that if we were to elevate our expectation level and produce in this country the number of homes that by any calculation we are going to need over the next five years, on a systematic year by year basis, not only would we create employment for the people who would build the homes, those people who work on the job sites, but we would create employment for the people in the forest industry, at Weldwood and other places, and we would create employment for those people who used to make the bathroom fixtures at Wabco Standard. We would also create employment for the people who make the tiles that go on roofs, the tiles that go on floors and the piping that goes into the infrastructure. We would create employment for people who make wallboard and for people all across this country in numbers that would not only bring down the employment level but would help to ease the terrible problems so many families are facing today.

This is an investment. We are not talking about give-aways, we are talking about investment. We are talking about investing capital now in the future of the country. We are talking about investing money that will ultimately be invested in any event. We are suggesting that if ever there was a time to commit money, that time is now. We have to make sure we meet the basic requirements of people, and we are not meeting them. If the private sector cannot or will not meet their obligations, particularly in things like shelter—and I suspect will not is more likely the case than cannot—then the government has an obligation as an investment in the future to make available the capital necessary to proceed with the building of the homes and apartments that must be built in order to meet the need.

Let me tell you, Mr. Speaker, and I know you understand this being a student of economics, that if we were to start there is no question at all that the close to 8 per cent level of unemployment we now have—the million people who are at home looking for work today—might be cut in half. We could create jobs for half of those peole who are not all on the public payroll. In fact, most of them are not on the public payroll. This would revitalize communities which range all the way from Vancouver to St. John's. It would revitalize the areas of this country that desperately need some injection of hope. It

would give the people a sense that the government understood what it was doing, that it understood the problems of the people and that it had a plan of action.

I admit this is not the most sophisticated plan of action. It does not get into all of those newfangled terms everybody uses when they think about industrial strategy. What this plan involves is simply the utilizing of the power of the government to mobilize the unemployed, the capital of this country and all of the industrial capacity that is sitting idle, in order to create what is desperately needed, employment on the one hand and housing on the other, with all of the related benefits that would flow from it. It is the simplest approach. But, you know, there is something about it—it works, strange though it may seem. I realize there are those in this House who might wonder about this, but it works.

If you engage in that kind of job creation, the two things I have mentioned—the undertaking in the public sector of moving ahead with projects that are going to go ahead anyway, doing them now rather than later, and meeting just the immediate demand for accommodation—the effect will be sufficient to turn around the economic malaise that exists from coast to coast, with two or three exceptions.

I make a plea to the government. To berate the government makes no sense. I have tried and it does not work. I have tried to appeal to you. I have tried to appeal to your conscience and decency.

● (1540)

An hon. Member: They have none.

Mr. Deans: I have tried to appeal to your understanding of the—

Mr. Lalonde: Have some respect for the Chair.

Mr. Deans: —feeling that people have for the problems that confront them and their families. I hear the Minister of Energy, Mines and Resources (Mr. Lalonde) babbling on again.

Mr. Lalonde: Mr. Speaker, I rise on a point of order. I would like to remind the hon. member he should not berate the Chair as he does.

An hon. Member: Sit down.

Mr. Lalonde: He is referring to the lack of understanding of the Chair and—

An hon. Member: Sit down and be quiet.

Mr. Lalonde: He has been in this House long enough to know the rules of the House as far as respect for the Chair is concerned.

Mr. Deans: That will certainly set the minds of those people who are in to see me at ease. I know they will be very impressed by that interjection.

An hon. Member: That was his best one this year.

Mr. Deans: What I am trying to say, Mr. Speaker, through you, even to the Minister of Energy, Mines and Resources, as hard hearted as he may be, is that there is no excuse for what he is doing to the people of this country. There is no excuse. There can be none given and none accepted.

The budget which came in on Thursday last is a national disgrace.

Some hon. Members: Hear, hear!

Mr. Deans: It is a fraud. It should have and could have recognized the problems of this country and dealt with them in a way which would have been of benefit in both the long term and the short term. But it has failed.

This is the same government, you may recall, Mr. Speaker, which was berating the Tories when they were in power for not coming to grips with high interest rates, high unemployment levels or high energy prices. This is the same government that seems to have gone completely off track.

An hon. Member: You are sorry you supported them.

Mr. Deans: I have never supported them in my life. The problem is so serious that the difficulty now is that it cannot be left any longer. There has to be a solution to these problems and the solution does not have to be so complex as to be incomprehensible. It can be a solution similar to what I have suggested today.

Hon. Ron Huntington (Capilano): Mr. Speaker, I am very pleased that the New Democratic Party has brought this motion forward because it gives us an opportunity to make a few remarks which we might not have been able to do in time for introduction through the budget debate. I commend the hon. member for Hamilton Mountain (Mr. Deans) for moving this motion.

It is not just the New Democratic Party which is concerned about the rank and file of Canada. I may disagree strongly with their approach, but I believe the aims and goals of our parties are the same. I think what we are looking for, as the budget, the Speech from the Throne and the 1971 budget said, is a fair shake, a fair share and more equity in the system. I think we agree in that area. Our disagreement is in how we arrive at that situation. There is a fundamental difference in political and philosophical views.

Turning to this motion, the papers are full of reports, which are increasing by the hour, of tragic situations in terms of payrolls and take home pay. Manufacturing plants are laying off people because the economic environment in Canada is so unstable that the normal economic forces are not working. I am in agreement with those members in the New Democratic Party who are genuinely concerned about the inability of the business cycle to break the boom-bust syndrome. I think that members in my own party have perhaps not spent enough money in research and effort to try to break that cycle. I think that inability, by those of us who support capitalist market system, to break that syndrome is what gives great fodder and opportunity to the socialist movement to come upon us.

I say to the few who are listening to my remarks here today that this is a challenge to all of us who want to see some freedom survive in our economic climate and market. I believe there has to be more effort by some to work as hard as some of us here work on that issue.

It is true that the workers of Canada are probably facing the most serious situation we have had since 1929 and 1930. There are a few of us here, including Mr. Speaker, who have lived through those days and years. At that time we were right back down to basics and we saw the tragedies of those times in terms of the human condition. We came out of a war and restructured a bright and beautiful vision in this country of Canada.

I was talking yesterday to a son of a Portuguese immigrant whose father arrived here penniless and worked through menial labour on farms and other jobs, probably worked six months a year and sweated and saved. He had a dream for his children whom he left behind in Portugal, and eventually he was able to bring his family to Canada through his sweat, labour and tears.

The family of that Portuguese immigrant have the same work ethic today as their father had and they have the same basic values. They are successful and well established in Canada today. They saw Canada as a dream, they came here and worked hard and created jobs and were always able to meet the payrolls they created.

Last night, the son of that Portuguese immigrant said: "Mr. Huntington, what is happening in this country today is what happened to my father in his homeland". The lack of incentive to work and produce, to grow a crop and the ability to take it to market, even a market in which the government was the receiver of the produce, caused that family to sell their farm and move, in poverty, to this new land where they had a dream. It was a dream which at least gave them the chance to break out of the chains of uniformity and egalitarianism.

We are dealing with that again today. What I find difficult about this situation is that the government, supported by the New Democratic Party, is doing everything it can to inhibit and stop a work-creating environment in Canada. One of the worst tragedies which I think has happened since I have been in this House is the attitude the government had toward an issue such as the Mackenzie Valley pipeline. It has interfered, and the New Democratic Party forces have actively interfered in all the megaprojects we have had before us. If it is going to speak of an industrial strategy, it should not want to create massive shortages which would cause massive inflation. If it is going to talk about an industrial strategy, it has to talk about a plan for the use of human resources, capital and industrial resources which we have for the delivery of goods and services to the world marketplace as well as our own domestic marketplace.

By being energy self-sufficient by the year 1990, we had an opportunity to have full employment in this country. Instead, government policies have led this country to have almost a million, and perhaps over a million, if we can understand these statistics, unemployed. This is a national shame and a national tragedy. It hangs heavy on my head that my efforts in this House have failed to bring about a conscious realization of what the government has been doing to this country during the last decade.

Full employment cannot be created unless there is a stable taxation environment. It is only through a stable taxation environment that a decision-making base can be created at large in this country. The innovators, the risk takers, the engineers, the architects and the tradesmen all depend on a stable taxation environment. The labour forces which are being laid off—according to newspaper articles of today and yesterday—also depend on a stable taxation environment in order to deliver a stable decision-making base for the industry and the marketplace in Canada.

• (1550)

Too much of our effort has been directed away from addressing the economic requirements of this era. We are wasting very valuable time around this place because of our refusal to get down to the things that count and that will protect and create jobs. The other day in this House—after some considerable thought because I do not like to be guilty of overstatements—I had to open up and say that, because of government policies which interfere with the heritage we in this country have in terms of work and fulfilling our dreams about our own homes and being constructively and effectively employed, we have deliberately created impediments to the population which has been coming out of our schools, trade schools and universities.

You cannot impose a socialist state from the top down. History has told us that. There has been death, carnage and revolution of the worst type whenever that has been tried. Some such empires have lived for a short time but, if we are to create a socialist state—and that is what we are doing in this country—

Mr. Nielsen: "They" are.

Mr. Huntington: Yes, they are, not me. The government is. If we are to create a socialist state in this country, we cannot do it by having people fully and gainfully employed and working, achieving, buying, creating property and serving their dreams and goals. Because a people at work achieving goals and dreams is a happy and contented people. The opportunities have been too obvious for that to be our rightful aim and goal and our rightful heritage. The opportunities have been there, but this Liberal government has done everything it could to interfere with that progress.

We have massive unemployment today and it will accumulate. It is like a pack of dominoes tipping over and falling all the way to the end. Things are triggering other things today. Inventories are not moving. Retail sales are down. High interest costs have sucked the profits out of industries all across Canada, from manufacturing to secondary and tertiary distri-

bution. Hundreds of retail clerks are being laid off. Retail stores are reducing inventories. Those who serve retail strores are caught in the trap of having to supply; their inventories are not moving and all their profits are being drained off by high interest rates. The tragedies among the working people, the manufacturers and the creators of this country are all too real.

My tax dollars, $50 million of them—not that all $50 million are mine—are being spent on an advertising program. Every time I open up the newspaper I see people's money wasted on feeding propaganda to the press and controlling the press of this nation. The media of this nation are being controlled through tax dollars.

Mr. Kelly: What paper is that?

Mr. Huntington: The government is controlling the media. People are terrified about publishing a report against the government; they fear they will lose their money. They fear they will lose Canada Council grants.

Some hon. Members: Oh, oh!

Mr. Huntington: Hon. members opposite can laugh, but they should not get themselves locked in. That is the situation today in this country. The minister opposite should not laugh about this. He should cry in shame because, like mine, his freedom is threatened. The only difference is that he sits on the government side of the fence.

In 1968 we heard about a just society. There was a great call for a just society. In 1971 we were going to have a new taxation base which would allow equity and fairness across the country. The Carter principle was finally delivered to the land. We have had a decade of high legal costs, accounting costs and economic costs trying to adjust to that taxation base. We were just beginning to come out of the woods, but this Liberal government did not want that stability. Otherwise it would not have presented the budget it did on November 12. That budget removes stability. The hon. member opposite can shake his head—I think it is a head—but that budget in fact changes the taxation philosophy of this country.

Mr. Chénier: It is fair. That is what you do not like.

Mr. Huntington: Let us talk about fairness. The budget violates and offends the basic ability to pay tax. Is that fairness? Let the hon. member wait until we get into Committee of the Whole; he will find out that this government's twisted and perverted use of the words "fairness" and "equity" in this budget will fall down around his head. Never has an instrument been put to this House which has caused such overnight anguish and concern in the country. The Canadian Labour Congress is up in arms. Every single chartered accountant who is a tax expert in this country is up in arms and furious. Lawyers are furious. The Canadian Federation of Independent Business has a list of grievances which the Minister of Finance (Mr. MacEachen) wanted to wipe off the slate today as being inconsequential.

I have been in the small business game all my life.

An hon. Member: So what? You are a millionaire.

Mr. Huntington: So what? Millionaires usually work two shifts a day and go without holidays for the first 15 or 20 years of their working lives. They are entitled to be millionaires. They are the ones who create capital and jobs. They are the ones who buy the machines that improve the productivity of the land. How many times have we heard the Minister of Finance tell us in this session that the only way to address the problem of inflation is by increasing productivity? That is the essential element today, but there is not one single item in the budget which addresses the national productivity problem.

In 1980 the economic performance of this nation was one of the worst in the western world after a decade of this government. There was 0.1 per cent economic growth in Canada compared with an OECD average of 1.2 per cent. Our economic performance last year ranked 21 among that of 24 OECD nations. We used to be third. We are now twenty-first out of 24. Our standard of living used to be third only to that of Sweden and the United States. Now our standard of living is thirteenth, behind The Netherlands and Finland. That is the decade of inheritance we have had since 1971. We had finally begun to adjust to the last budget, but where in this one has the problem of productivity or the problem of inflation been addressed? Nowhere. This budget has ripped out from under the Canadian industrial community its decision-making base.

There are two central themes in the MacEachen budget which are causing great concern. One is the retroactive effect of Resolution No. 9, which is the accrued investment income resolution, and the other is Resolution No. 23, which is the restricted interest expense resolution. That delivers retroactivity back on people who were law-abiding citizens under the laws prior to November 12, and they have been trapped, raped and crucified by this budget.

• (1600)

This budget removes one of the fundamental cornerstones of a fair and equitable tax system. It has removed the ability to pay one's tax. Just wait until the hours of debate come out on this across the nation. That is what the government has done to the nation as a result of its November 12 budget.

The government has created a terrible illusion with the top rate of tax being limited to 50 per cent. That reduces the tax rate of the wealthy. However, it has ballooned up all the other expenses that employers paid the cost of for employees across Canada. It ballooned up their gross income and their taxable income. The government is playing a very deceitful game with half-truths in this area.

When the government says the top rate is 50 per cent, all it is doing is shifting the burden on to the provinces. On budget night my province said it will have to find another $95 million. Over five years the federal government, through this budget, is taking $600 million from my province.

How many minutes do I have left, Mr. Speaker? None. I am only half-way through.

Mr. Deputy Speaker: The hon. member is allowed 20 minutes on an opposition motion. He may continue only with the unanimous consent of the House. Is there unanimous consent for the hon. member to continue?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Deputy Speaker: There is not unanimous consent.

Hon. Lloyd Axworthy (Minister of Employment and Immigration): Mr. Speaker, there have been many times in this House when the clear light of knowledge and information has been brought to bear on matters of some importance. I regret to say that this, unfortunately, is not one of those times. What we have listened to for the past hour or so is a replay of that time-honoured Japanese wrestling match where the two parties on the other side, trapped in their own dogmas, have locked themselves once again into immovable positions of ideology, without trying to bear with any new sense of insight, assessment or analysis upon the realities of the economic situation, which is serious and should be treated seriously.

It is regrettable that so much time and effort of this House is taken up simply having to listen once again to the purplish prose of the hon. member for Hamilton Mountain (Mr. Deans) who seems to believe he is the only one in the world who cares, or the laissez-faire diatribes of the hon. member for Capilano (Mr. Huntington) who seems to feel we can solve all the economic problems of the world by repeating the liturgy of Ayn Rand who ran out of ideas 40 years ago.

We are dealing with an important issue in this resolution. We are looking at the question of how to tackle some very significant and critical economic issues that face every country in the industrialized world, every country that is being affected by the turbulence of increased energy prices, changes in monetary flows, changes in the industrial structure and new introductions of technologies.

These are all problems which are part and parcel of our world. They are not something that is a product of Liberal government policy. We are not responsible for bringing Ronald Reagan into the White House. We are not responsible for the high interest policies of the Federal Reserve Board. We are not responsible for the exaggerated changes in oil prices of OPEC. However, they are problems we have to live with. They are issues we are trying to cope with.

The prescriptions put forward in the budget of a week ago, we believe, indicate the best kind of guidelines by which the Canadian economy can adjust to those difficulties. They indicate to us the kinds of policies and programs that will facilitate private activity and at the same time provide proper priorities for public expenditures at the federal level.

There is a basic thesis to the budget. The hon. member for Hamilton Mountain rants and raves about economic chaos. In one of his more lucid moments, which were rare indeed in that speech, he said that the problem is high interest rates. We agree. That is why the thrust of the budget is to address itself to the central issue of how to bring down inflation in this country. How do we tackle the insidious erosion of income of people to deal with the inflationary problem and thereby provide for a facilitation of interest rate policy to bring it down?

It is no accident that once again today interest rates fell, this time to a low of 15.4 per cent. They are coming down. It is not purely by capriciousness that they are there. The Minister of Finance (Mr. MacEachen) was clearly trying to send forward signals in the economy by which this government would apply a policy of restraint in its expenditure and fiscal program, providing a signal to the entire capital market and therefore provide for an easing of rates.

The lay-offs that we face and the kinds of problems that are endemic in some of our manufacturing and resource areas are a product of high interest rates. The automobile industry has had a decline of 35 per cent of its sales in the United States because of the high interest rates in that country. If they cannot sell cars in the United States, workers are laid off in Canada. It is a fairly obvious proposition. We do not like it any better than anybody else. We are not relishing that fact, but we say we have to adopt a policy to try to ease the situation.

What would happen if we adopted the propositions put forward by the hon. member for Hamilton Mountain? All he talked about was taking great gobs of government money, throwing it in lumps on the problems and saying that that will solve them. When he said it was a simple proposition, he was wrong. It is a simplistic proposition. It does not answer the problem. It simply provides a thumb-sucking issue, some basis for his rhetorical outburst. However, it does not tackle the central issue, which is to deal with the inflationary problem we face in Canada. That is what we are trying to say in this budget.

As the Minister of Finance said, we have to provide a restraint policy, reducing the deficit by $2.5 billion in order to provide for a reduction in the pressure on money markets and ease the pressure on interest rates. That is a well-stated proposition. Members opposite who have spent so much time gnashing their teeth and wailing at the wall might be able to understand that they would gain the credit of the Canadian people if they endorsed such a policy rather than simply engaged in mental gymnastics, or the economics of fandangle which they are now engaged in, which make absolutely no economic sense. We have a policy related to the creation of long-term employment in this country. That is unlike the hon. member for Capilano who likes to see things through a dark mirror, and the hon. member for Hamilton Mountain who has a prophetic mission. He has missed his calling. He should be an evangelical prophet. All he sees in the world is the chaos.

We on this side of the House have confidence in this country. We see that it has tremendous potential. It has ability to grow.

Some hon. Members: Oh, oh!

Mr. Axworthy: Aside from the boos that are echoing in this chamber, the fact is there is tremendous growth potential. Of the last 15 months, 13 have shown a productive growth in employment, better than any country in the OECD. We have demonstrated that we can create jobs. In 1980 alone we created 330,000 jobs, the best record of any country. The only credit we get from those opposite is "do more".

We realize we are facing problems at this time. The difference between this side of the House and that side of the House is that we are prepared to take hard decisions to face those problems and not fool ourselves with dogmatic fantasies pulled out of text books that were obsolete thirty years ago. That is the difference between members on this side of the House and that side.

● (1610)

Our approach to creating jobs is not to say there is a simplistic answer, as proposed by the NDP or Conservative party. We believe that one has to take a multiplicity approach and to engage government in a variety of investments. We have said in the budget papers set forward on economic development strategy that we will invest approximately $65 billion into economic development initiatives in this country in the next five years. This government has developed a wide variety of new technology investment in the economic development envelope so that we can help the Canadian economy to develop sectors of industrial resource activity with growth potential. The government has committed $1.5 billion this year alone to research and development so that it may provide for greater productivity.

The government is developing a new network of microelectronic centres across Canada so that it may engage in new product development in that critical area of the economy. Across Canada the government has established a number of investments. For example, Mitel Corporation, New Brunswick, is one of the most significant achievements where we moved a new industry into a high unemployment area. This is the government's ambition, Mr. Speaker. It is not simply to throw money away, as the NDP would like us to do, but to be careful, cautious and relevant in our investments and put the money where it will do the most good. That is the position of this government.

We do have a basic plan contained in our industrial strategy. There are potentials that must be unlocked and unleashed so that they create the kind of growth that the country is capable of. But we will not do this simply by banging a drum and beating it loudly; it must be done by careful planning and management. The government is putting in place the kind of management that will ensure that there is an allocation of those major industrial benefits across Canada.

The budget contains $1.4 billion for the modernization of the transportation system in western Canada. How often have we heard the rhetoric of the other parties saying that we must modernize the railway system? The difference between the parties opposite and our party is that they talk about it but we do it. Our money is on the table.

An hon. Member: Is that an ironclad guarantee?

Mr. Axworthy: The money is on the table, ready to modernize the transportation system in western Canada. Furthermore, we also see that that growth potential must be broadly shared by all members of the community. The money must be used by those who have been on the sidelines of the economic game. That is why we have included the sum of $345 million in the budget for the economic development of native people across Canada. It will give them the opportunity to develop their own enterprise; to develop their own business activity; to give them the capacity and ability to take advantage of the new resource wealth of western Canada.

It seems to me that is a major achievement of this government. We are putting the money where it will do the most good. We are allocating it where the need is greatest. We are putting it where those who can invest it carefully will benefit the most.

When members opposite broadbrush the strokes and say that there is nothing in the budget for anyone, it simply means that they are incapable of reading or comprehending what is contained therein; and it could be a combination of both. I think it is a form of ideological blindness. Hon. members simply do not want to see what is before them. That is the real problem. As long as that ideological blindness continues, then we will not see any kind of enlightened economic debate in this House. What we are talking about, Mr. Speaker, is coming to grips with real problems.

For example, let me point out the condemnation raised by the hon. member for Broadview-Greenwood (Mr. Rae), the once and future king of the Ontario NDP, who said, "Why are they doing direct employment jobs?" He says that is a piffle, a nothing. In this fiscal year we will invest $378 million of direct government funds into direct job creation, creating jobs for 80,000 Canadians in this fiscal year alone by direct employment means. That is a record worth talking about.

I do not know why it is that the member for Hamilton Mountain is so incapable of understanding or comprehending that that kind of investment will be allocated particularly in those areas where the needs are greatest. The hon. member talks about the fishermen in Newfoundland. We have allocated a special fund to the fishermen's union in Newfoundland to develop work projects, some 30 or 40 additional work projects, so that the fishermen remain employed and engaged in useful enterprises in that province. We allocated additional funds to the construction workers in Winnipeg, to the fishermen in British Columbia and the unemployed workers in Windsor. In other words, the government is allocating and targeting its direct employment funds and not throwing them around. The government is trying to use the money as we believe the taxpayers want us to use it, which is wisely and well and where the need is greatest. Those programs are in place.

Furthermore, the hon. member tends to neglect the other kinds of programs that this government has introduced. The ILAP program is designed to deal with communities that are experiencing major industrial problems and will provide grants

to new industries and to workers for retraining so that they may move to other jobs and develop new skills and capacities. It seems to me that that is a useful enterprise. The government is not saying it is perfect. But rather than standing at their desks and pounding them with wild abandon, what we would look to the NDP for are constructive alternatives, useful solutions and ideas as to how that program can perform more efficiently. All we receive from them is their rhetorical flourishes that add up to nothing when you look at the content for substance.

The government has put in place the industrial renewal board to deal with the major adjustments in the textile industry that will affect tens of thousands of workers. This is a new initiative designed to work in co-operation with private industry. The government is able to recruit some of the top flight business community to work with government to develop ways of helping those communities and workers adjust to their problems. The government is trying to tackle those issues, Mr. Speaker. We are concerned about those issues and attempting to apply innovative solutions. We are not simply standing on the floor of the House of Commons saying, "Why don't you practice our theories?" We are trying to proceed in a pragmatic, useful and effective way.

This resolution before us refers to the lack of an industrial strategy. An industrial strategy is not just pasting a bunch of principles on the wall. Again, it is putting something into play, putting something to work.

The hon. member for Capilano asks: "Why isn't the government doing something about the problem of skilled workers?" I say to the hon. member: Why doesn't he read the budget documents? Why isn't the hon. member aware of what is going on in this House? Why isn't he aware of this government's initiative last year of a major study of the manpower human resource needs of this country? Why isn't the hon. member aware that the government has signed a number of agreements with the coal mining industry, the forest industry and the ship-building industry to develop manpower plans in each of those industrial sectors? Why isn't he aware that presently the government is spending over $800 million in training 250,000 Canadians in new skills at the present moment?

Is the member from Capilano so unfeeling, so unseeing, that he is not prepared to recognize what is in front of him, that 250,000 Canadians will benefit from federal government training programs? Is the hon. member not aware of the new program that was introduced last year to bring women into non-traditional trades which this year alone has helped to recruit 2,500 women in non-traditional trades, 2,500 women who were not there before, to give them a chance in those trades? Is the hon. member not aware of the new training programs for the native people of this country which will give them a chance to gain new skills in those areas?

I stand sometimes in amazement at the unwillingness of members opposite to deal with these problems in a rational way and say that they accept and give credit for what is being done, but here are some ways of improving and changing it. Instead, hon. members opposite paint this picture of horrid chaos around them to try to frighten and stampede Canadians. Their only purpose is for some minuscule political ambition.

Let us have a serious debate on economic problems.

An hon. Member: Why did you close down the native school in Hay River?

Mr. Axworthy: Let us look at what is in place. If the hon. member wants to talk about that, I will mention the additional $6 million put into the community employment program to provide for special requirements for native people moving to large towns and communities in western Canada. The government is developing the kind of ability to work with those groups, whether they are native people or women, so that we may tailor and harness government resources to their needs.

• (1620)

What we have in place now is the process by which we will put forward, in a matter of weeks, a serious and well-established program for national training across Canada. It was not designed unilaterally or arbitrarily, but after we listened to and received recommendations from the parliamentary committee, our own task force, the trade unions, business leaders and the social community. We have tackled our job in a careful and responsible manner and have arrived at a training program to fit the needs of the eighties.

When the hon. member opposite asks where the industrial strategy is, there it is, Mr. Speaker. It is being developed. It is being worked on.

Mr. Huntington: It is pitiful.

Mr. Axworthy: The hon. member says that it is pitiful. What a sad, pitiful comment that is. The hon. member is so incapable of understanding the world around him that it is not possible for him to engage in what is taking place.

Mr. Huntington: Do you really believe that?

Mr. Axworthy: I always believe what I say, unlike the hon. member who obviously, by the nature of his speeches, lives in a world of fantasy.

We have in place in the budget and in a range of government programs a variety of measures to deal with the issues. But we are not satisfied with that. We do not believe that is sufficient. We believe we must put in place a program that will enable us to come to grips with the potential that this country has. What we put forward in the budget was a number of documents dealing with fiscal relations between the federal and the provincial governments to try to realign the balance of the resources in this country, to provide for a far more effective strategy in dealing with the problems of higher education so that we could begin to target the places where training and education can be most relevant to the economic, social and cultural objectives of the country.

We have put in place a basic reform of the tax system to bring about equity. The hon. member for Capilano stood on

his haunches and said that what we have in front of us is a tax measure that is making the accountants and lawyers—

Mr. Hawkes: Mr. Speaker, I rise on a point of order. I wonder if the minister would permit a brief question on his last point.

Mr. Deputy Speaker: Would the hon. member accept a question?

Mr. Axworthy: Mr. Speaker, I would be happy to accept a question when I finish my remarks, if time is available.

The hon. member for Capilano, who is here defending the interests of the tax accountants and tax lawyers, was decrying one of the most important and probably one of the most liberal measures to be introduced in this country in years, and that is to make taxes equal for all Canadians and to eliminate advantage. When the hon. member says that this tax system is going to cause great injustices, I must ask, to whom? To his wealthy friends, his corporate partners? Is that who is going to be disadvantaged?

As the Minister of Finance pointed out, something like $47 billion in revenue was lost last year through special advantages and tax loopholes. One would think, considering all the posturing and parading that the New Democratic Party does daily about equity and justice in this society, that it might have a good word for that very fundamental reform that is contained in the budget speech. Did we hear a word about that from the hon. member for Hamilton Mountain (Mr. Deans)? No, not a peep. That makes members on this side of the House wonder whether their interest really is in equity and justice. Are they really on the side of the small taxpayer with a family of four, who, as a result of the measures introduced by the Minister of Finance, will not have to pay taxes on an income which is under $15,000? That budget measure contains a basic and fundamental thesis, and that is that the best way to ensure fairness in our system is to ensure fairness in the tax system.

We would accept the support of other parties. When they sit down and study these measures, they will realize that this principle is important and that far too many people in this country have for far too long gained an unfair advantage through the tax system. We are prepared to put that right.

I believe the budget document sets forward effective guidelines for the management of the economy in the 1980s. There is a series of proposals designed to bring down inflation and, therefore, unleash productivity in this country. There are measures to bring forward better equity and fairness in the tax system so that individual Canadians will know that they are equal one to another.

Most important, Mr. Speaker, there is a broad commitment to the issue of renewal, and to understanding that this country has tremendous growth potential. What we have to do is target in on different structural problems such as research and development, manpower and planning, industrial investment and sector analysis. All this is contained in the budget document. It is the kind of document that will provide a basis for discussion and consultation with the private sector in the months and years to come. In this way we can arrive at mutually acceptable strategies and development programs. That is the reason for the budget. It makes good sense in this time of turmoil because it is based upon pragmatics, not upon outdated philosophies.

I hope that Canadians will realize that, the budget resolution provides that the most effective way to create jobs in Canada is through proper economic management and not simply by relying upon the outworn, ideological, textbook positions put forward in the introductory remarks of the previous speaker.

I hope that hon. members dealing with the resolution now before the House will realize that it seems to be simply an exercise in common room philosophy rather than pragmatic policy. That is probably one reason why we are on this side of the House and they are perpetually on that side of the House!

Some hon. Members: Hear, hear!

Mr. Hawkes: Mr. Speaker, I believe the minister indicated his willingness to clarify his concept of fairness and equity. As he will know, the indirect taxes which apply to all Canadians, senior citizens, people below the poverty line and so on, have doubled in the brief term of office of the Minister of Finance (Mr. MacEachen). When he took over, those taxes represented $100 per month per household. Today they represent—

Mr. Deputy Speaker: Order. The hon. member has not been recognized for a speech. If he wants to put a question to the minister, a question is in order, but he appears to be engaging in a speech at this point.

Mr. Hawkes: My apologies, Mr. Speaker. I will put my question directly. The minister tried to show to the House that hidden taxes had not gone up. Is he trying to say that they have not doubled and are not now $200 per month per household? Does he believe that hidden taxes are equitable—

Mr. Deputy Speaker: The hon. member has put his question.

Mr. Axworthy: I am pleased to answer the hon. member by pointing out to him that the government and the Minister of Finance have provided for substantial increases in the income supplement for old people. We were able to reduce the price for energy proposed by the previous government so that the consumer has a better deal. We have reduced unemployment insurance premiums by about 15 per cent in this year alone. So I would say that we had allocated our scarce resources to helping those who need help most. Whatever particular fantasy the hon. member believes about hidden taxes, I suggest that rather than looking in his crystal ball, he should look at the budget instead of whatever peculiar figures he seems to be drawing out of the hat.

• (1630)

Hon. Sinclair Stevens (York-Peel): Mr. Speaker, having heard the hon. minister, I think that all hon. members of this House would surely agree that this government just has no shame. For instance, in response to the question put by my

colleague as to whether the minister would not agree that there is a substantial increase in indirect taxation, the minister, in effect, talked about certain other things and then said, "Well, instead of looking into a crystal ball, look into the budget." I will take the minister up on that.

This is what is stated in the budget document entitled "The Budget in More Detail", at page 71. I hope the minister is listening, because he says that this is the proper information. The sentence to which I refer states:

> The gross petroleum compensation charge and Canadian ownership charge revenues are largely responsible for the 54.1 per cent growth in indirect taxes in 1981-82.

If one looks at the table on the next page, based on the national accounts table, Table 9.3, what the government is talking about is a growth in indirect taxes from $13.3 billion to $20.5 billion. There will be an increase of more than $7 billion in indirect taxes, the most regressive tax any government can inflict on the public. This government has the colossal audacity, through the Minister of Employment and Immigration (Mr. Axworthy), to tell us that we are looking into crystal balls when we hint that, somehow or other, there is an increase in indirect taxation in this country.

Mr. Crosby: Shame, shame!

Mr. Stevens: I notice that the Minister of Energy, Mines and Resources (Mr. Lalonde) is in his place. Your Honour will recall that during question period he had those crocodile tears about what he called that "unfortunate, regressive tax" that the provincial government in Quebec has imposed on those who use gasoline in that province. I am not defending the Quebec government, but let me point out that if the Quebec government has imposed such a regressive tax, it was set the example by the Minister of Energy, Mines and Resources. He was the one who, through his energy approach, lifted more money in a shorter space of time through one tax measure than any minister or government has ever done before in the history of Canada. In short—

An hon. Member: How much was yours?

Mr. Stevens: —we find that every time a litre of gasoline is sold today at an estimated price of 36.7 cents per litre, the total amount going into the federal coffers is 12.4 cents. That is the truth.

Mr. Chénier: Where was your tax going?

Mr. Stevens: In truth, the government has set upon a policy where, through indirect taxation and various other tax means, it is lifting billions of dollars of taxpayers' money, not to reduce the deficit, but simply to swell its spending even further than the projected line of spending for the government, which was revealed to us when we took office in 1979 and we were exposed, for the first time, to the trend lines of the former Liberal government.

One of the backbenchers on the Liberal side has questioned our spending level. I am very surprised he raised that because he must have checked those figures out himself.

An hon. Member: Yes.

Mr. Stevens: He will know that on a national accounts basis, the budget which was brought in by our party anticipated a spending level which would have been $17.25 billion less by 1984 than the budget which was brought into this House on November 12.

Mr. Evans: You never could have lived within those estimates and you know it!

Mr. Stevens: In short, we have a government here which is so shameless that, notwithstanding the fact that it has totally distorted the spending and revenue picture in Canada at the federal government level, it has the audacity to start saying that this is a budget of restraint.

The hon. Minister of Employment and Immigration stood up and said, "You cannot blame us for various things. We cannot be blamed for Ronald Reagan's election to the White House, we cannot be blamed for the federal reserve board's decisions, and we cannot be blamed for the OPEC decisions and this type of thing". The truth is that the government surely takes the credit when it goes the other way. The minister referred to interest rates without clarifying, incidentally, that the Canadian rates are 3 per cent to 4 per cent higher, across the board, than the American rates. Within a minute of the minister saying that, he turned around and took credit for falling interest rates. If he had nothing to do with rising interest rates, why should he then get some credit for falling interest rates?

Mr. Evans: Which way do you want it?

Mr. Stevens: That partly bearded member over there has asked, "Which way do we want it"? It is not which way we want it. It is what is fair for the Canadian public.

Mr. Chénier: I know, but you blame everybody and never give credit, so what's the difference?

Mr. Stevens: When the Minister of Employment and Immigration says that the interest rate is falling, he forgets to point out that it is still more than one percentage point higher than at any time in previous Canadian history. That is what he fails to make clear to the Canadian public.

Having said that, the minister then turns around, without even blushing, and says that the central issue is inflation and that this government is really doing something about it. He says, "We have brought the deficit down by $2.5 billion." What does he mean by that? This is what he apparently means. In fiscal year 1981, the decifit was $12.6 billion. In the year we are just going into the deficit will be $13.3 billion. Most public school children would say that that looks as though the government will go into the hole about $700 million more.

Mr. Chénier: "Sinc" misses everything, misses the point all the time.

Mr. Stevens: However, that is not what these fellows are talking about. When they say there will be a $2.5 billion reduction, they are talking about 1986. They are talking about some type of projection that they say will mean a deficit of $10.2 billion by 1986, compared to $13.3 billion at the present time. In short, it is just a dream, because we know that the one thing one can count on concerning this government is that its projected expenditure levels are the floor. Those projected levels will surely be attained; it is only a question of how much more the government will add to those levels and how big its deficit will be.

When we were introduced to Liberal economics upon being elected to power, I was absolutely stunned when the Treasury Board showed me that the ongoing anticipated deficit if the Liberals had been left in power would be $18 billion by 1984. If one looks at the present figures, one will see that if the government had not grabbed $9 billion further from the Canadian public, that is exactly the deficit figure it would be living with by 1984. That is this government in action; yet the Minister of Employment and Immigration says that to ensure jobs in the future we need, to use his words, proper economic management. If he believes that and if he has any heart for the people who are now being thrown out of work and are without jobs, largely due to his inaction, he had better resign tonight and show his protest against a government which has shown it does not know the meaning of the words "proper economic management".

When I say that, let us not forget that the federal gross national debt, as a result of this government's actions, will be about $119 billion. That represents for every taxpayer in the country a debt load of $12,500. It means, if one likes, that with interest rates at their present level it will cost taxpayers $14.5 billion this year, amounting to another $750 per taxpayer.

● (1640)

To put that into perspective, you can assume that at least half of that debt is not necessary, which is a fair assumption bearing in mind that when the emperor first took power the total debt in this country was only $20 billion. This budget indicates that by next year an additional $100 billion of new debt will be on the shoulders of Canadians. Surely it is not unreasonable to say that at least half of that was totally unnecessary, and if that is so, that means approximately $900 of unnecessary burden is being placed year in and year out on every taxpayer in Canada.

Think what that $900 would do to help the poor of this country. Think what it would do if it were not being spent on yesterday's debt for interest charges. Think what it would do to help the unemployed, the senior citizens and those in need of better health care. That is the insidious thing which this government is doing. In short, it is squandering public money day in and day out. The government is squandering it to the point of going further and further into debt to pay yesterday's grocery bills, at the same time loading more and more debt not only on the people of today but on future generations to come.

Having said that, I noticed that the Minister of Employment and Immigration indicated that somehow there was an industrial strategy in place and that productivity was somehow a desirable thing. Let me point out that when the Liberals are asked to explain their high unemployment statistics, as a rule they like to respond by talking about job creation. For example, we hear the Liberals say that in 1980 job creation went up 2.9 per cent as far as total employment is concerned. Although they say that, they then admit in the next sentence that there was zero growth as far as Canada's economy was concerned in 1980. Therefore, what the Liberals are saying is that their economic measures were so improperly placed that it took 286,000 more people working in Canada to produce exactly the same gross national product that we produced in 1979. In fact, as a result of the government's mismanagement we find that for the last four years on a per worker basis an actual deterioration in Canadian workers' real income has occurred because of the government's actions.

In short, how can we have this minister somehow or other attempting to take credit for what he feels is a good job-creation record while at the same time we know that, with 891,000 Canadians out of work, we have continued to post the worst record for unemployment among the major OECD countries? That is this government in action.

Again using OECD figures, we find that between 1973 and 1980 Canada had an average productivity growth of 0.2 per cent. That is one-third of the productivity growth in the United States. During that same period productivity growth in the United Kingdom was 1.5 per cent, Germany 3.1 per cent, France 2.7 per cent, Italy 2.2 per cent and Japan 3.4 per cent. Surely most members would agree that a government with that kind of a record, one that attempts to justify its budget brought in here on November 12, in truth has no shame when it starts to pretend that its record entitles it to the confidence of this House.

Perhaps when we deal with statistics we lose sight of the human element. We forget about the people who are actually being thrown out of work. I see the Minister of Industry, Trade and Commerce (Mr. Gray) is in the House. I hope that before today's end he will stand up and explain a few things. I hope he will explain to the people of Kitchener why it was necessary for Budd Canada Ltd. to give indefinite lay-off notices on Monday, November 16, to 826 of its 1,100 employees. We should bear in mind that Budd Canada Ltd. employed 3,100 workers two and a half years ago and this latest lay-off will reduce that number to a mere 700 employees. Surely some minister on that side of the House must feel that he has to give an explanation why that kind of situation is occurring.

Perhaps some minister can tell us about Canadian Admiral Corporation, an appliance manufacturer which has shut down its operations in Mississauga, Cambridge and Montmagny, Quebec. On November 13 that company issued dismissal notices to 2,450 employees. The key reason for this, the company said, was the high interest rate structure and lack of

sales because of the international competition the company has had to face.

Perhaps the Minister of Industry Trade and Commerce can tell us why he takes great pride, as the minister responsible for FIRA, in the sad tale of Irwin-Dorsey Ltd. of Canada, a subsidiary of an Illinois Company. For those who are not familiar with the situation, this company employed 25 people in the Georgetown area of Ontario. It was doing about $5 million worth of sales largely in the texbook field, but Irwin-Dorsey had the misfortune of having its parent taken over by Dow Jones of New York.

As a result of Dow Jones of New York taking over the American parent, FIRA was triggered and was asked to pass on whether there should be a divestment of the Canadian subsidiary as a result of the change of ownership from one American to another American. In brief, FIRA was asked to find that there was a bad American coming in to control this company and presumably replace a good American. The American company fought the FIRA decision triggered by the then secretary of state. I see the secretary of state who made the decision is here in the House. He said that he did not think it was right to have a foreign ownership component in that company.

The decision was fought all the way to the Supreme Court. The FIRA decision was upheld and guess what is happening. The factory will be closed by December 31. The books will be shipped into Canada with no customs paid from Illinois. Through that minister's absolute bungling he has told 25 Canadians that they are no longer entitled to work in Canada because he prefers to have Americans doing their job instead of them.

To make matters worse, the minister is telling companies such as Mitsui, which is the thirty-ninth largest company in Canada doing $1.5 billion worth of business here and employing 140 people, that if they want to open up factories or other facilities in Canada, a lot of red tape has to be gone through, but if they want to continue producing their goods in foreign countries and shipping them to Canada, they are welcome.

To put $1.5 billion into perspective, Dofasco does exactly the same amount of business in Canada and employs 14,100 people compared to the 140 employed by Mitsui. In spite of this, we have a minister telling us that we have an industrial strategy in place. If it is an industrial strategy, it is a tragedy.

• (1650)

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: Order, please. It is my duty, pursuant to Standing Order 40, to inform the House that the questions

to be raised tonight at the time of adjournment are as follows: the hon. member for Victoria (Mr. McKinnon)—Canadian Armed Forces—Possible participation in Sinai Desert peacekeeping operation. (b) Request for details of proposed participation; the hon. member for Winnipeg-Assiniboine (Mr. McKenzie)—Railways—Pensions of retired workers. (b) Reported purchase of Gulf Oil stock by Canadian National Railways pension fund; the hon. member for Parkdale-High Park (Mr. Flis)—The Constitution—Provision respecting mandatory retirement.

GOVERNMENT ORDERS

[*Translation*]

BUSINESS OF SUPPLY

ALLOTTED DAY S.O. 58—CONDEMNATION OF LACK OF BUDGETARY JOB-CREATION MEASURES

The House resumed consideration of the motion of Mr. Deans:

That this House condemns the government's budget for (*a*) not introducing new job-creation measures in the light of the largest number of pre-Christmas lay-offs experienced since the Depression (*b*) the complete rejection of an effective industrial stragegy to provide long-term jobs and thus a cynical reversal of the government's election promises.

Mr. Rémi Bujold (Parliamentary Secretary to Minister of Employment and Immigration): Mr. Speaker, I am very happy to take part in this debate today, but I would first like to point out that I am the Parliamentary Secretary to the Minister of Employment and Immigration (Mr. Axworthy) and that you probably took me for another of my colleagues whom I must look like.

Before getting to the heart of the matter, Mr. Speaker, I would like to reply to some of the comments made by the hon. member for York-Peel (Mr. Stevens). I think that even though he was here on the evening of the budget, his mind was probably somewhere else. Since he spoke about the deficits of the Liberal government which he predicted will be enormous and near disastrous, I urge him to go back and read the speech made by the Minister of Finance (Mr. MacEachen) on November 12. I can even tell him what page of *Hansard* to look up, page 12726, and he will find that during the 1980-81 fiscal year, we effectively reduced the budgetary deficit by about $2 billion.

Mr. Speaker, I simply do not understand why our friends opposite take pleasure in trying to exaggerate the present economic crisis by quoting figures that are often unfounded and by attempting to ridicule the very significant proposals made by this government to create employment in the have-not regions and to take very concrete measures to counter our current difficulties. I would go even further, Mr. Speaker,

regarding the figures quoted by the hon. member when he said, if I did not misunderstand him, that in 1984-85, we would have a deficit of approximately $18 billion, unlike what we have forecast.

Once again, Mr. Speaker, I would ask him to come back to this excellent budget speech which shows that the government is anxious to solve the economic problems of Canada, to this budget speech in which the Minister of Finance stated that, because the government wants to reduce inflation on the one hand, and the budgetary deficit on the other, our deficit would probably drop to $6.6 billion in 1982-83 and to $5.5 billion in 1983-84, thanks to our policies. I believe that the Minister of Finance and his government really want to show that they are taking vigorous action to reduce inflation and our budgetary deficit. Naturally, Mr. Speaker, the sponsor of the motion now before the House is suggesting that the government is not doing anything to create jobs, that it is unable to realize that the entire country is going through difficult times and that unemployment affects some regions more than others.

In the few minutes allotted to me, Mr. Speaker, I will attempt to show that the government, more particularly the Department of Employment and Immigration, sponsors various programs which indeed counter the criticisms levelled at us by the opposition parties and directly come to grips with this job-creation problem. Our department offers a series of programs to meet those problems and the time has come indeed to speak about the community employment programs. We have the Local Employment Assistance Programs—LEAP for short.

A new program has also been implemented during the last fiscal year by the Department of Employment and Immigration in co-operation with the Department of Regional Economic Expansion, here again to solve the lasting problems peculiar to certain regions. Those extremely important and worthy programs are the LEDA programs. We have also set up other programs on which I will comment in more detail later on.

I simply want to point out that those community employment programs have enabled us to create tens of thousands of jobs over the last fiscal year. If those are not concrete measures taken by our government to reduce unemployment and face trying conditions, I wonder how our friends opposite consider the action of the government in those fields. I might add that when the government created those jobs, it paid very particular attention to our younger people. Our government and the minister who heads the department are greatly concerned about them.

During the summer of last year, we created 49,200 jobs for our young people across Canada, 13,924 in Quebec alone. That means an investment of $100 million in job creation for our youth. We must realize that we live in a free enterprise system where it is especially up to the private sector to generate jobs. While recognizing this principle, our government, through these various programs, also wants to help and support the private enterprise in its job-creation function. This is how in every province, and in every region, in co-operation with private enterprise, we did manage to create jobs. Obviously, some of these jobs are temporary. But even these temporary jobs help thousands of young Canadians acquire the necessary experience to guide them in one direction and will reveal an ability for certain types of work, and this will allow them to get into the job market and find a permanent job.

We should also note, Mr. Speaker, that these temporary programs are aimed at various groups in our society. They will help women, and other groups such as the handicapped and people with social and economic problems to find work. Perhaps I could start by explaining in greater detail some community development projects. May I remind members of the official opposition, who blame us for not creating jobs in Canada, that during the short time that we were in opposition and their party was in power it was they who decided to do away with these community development projects. If they had stayed in power, what would have happened to all our job creation programs? Fortunately, the Canadian people saw the light and nine months later re-elected a government that is sensitive to and able to understand the economic problems of the country and can act in such a way as to create and maintain these programs which our regions desperately need to create new jobs.

● (1700)

Mr. Speaker, early this summer the minister announced that $113,400,000 would be spent on phase two of the Community Development Projects, $38 million of which—34 per cent—was earmarked for the Province of Quebec. This, Mr. Speaker, helped to create 6,560 jobs in Quebec. I also feel, Mr. Speaker, that I am in a position to speak with some authority on these Community Development Projects, since I represent the riding of Bonaventure-Îles-de-la-Madeleine, where the unemployment rate during the winter is between 25 per cent and 30 per cent. These community development programs, Mr. Speaker, have helped to create jobs during the past few years in my riding and in our region. These job-creation programs have been in existence since 1973, and have helped us not only to create the usual temporary jobs, but also to establish infrastructures, which subsequently made it possible for most of the 45 municipalities within the riding of Bonaventure-Îles-de-la-Madeleine to hire employees on a permanent basis.

This year again, Mr. Speaker, my riding will receive $2.5 million for job creation. I can assure the House that these funds are spent wisely, and that on the strength of several years' experience, we shall be successful in creating permanent jobs. We are repairing facilities in small fishing ports and establishing small industries which subsequently become going concerns—that is how we can create permanent jobs, Mr. Speaker. It is to be hoped, and in fact I am sure, that the government will continue to use such programs to relieve unemployment and fight joblessness in areas such as eastern

Quebec, New Brunswick, Newfoundland and some part of western Canada, and so provide work for more people.

There is another program, Mr. Speaker, to which I referred earlier, and which I feel is one government program precisely to promote the development of as many industries as possible in our region. I am referring to the LEDA program, that is, Local Economic Development Assistance. Last year, Mr. Speaker, I was pleased to be involved in announcing one of these projects in eastern Quebec, namely on the Magdalen Islands which are part of my riding, because with unemployment rates as high as the ones I mentioned earlier, we need this kind of program.

In our area, Mr. Speaker, the problem is that although we do have entrepreneurs and people who have a certain amount of capital and ideas to contribute to the development of our economy, the stumbling block is always either a lack of technical assistance or some risk capital. With the program created by the Department of Employment and Immigration, in co-operation with the Department of Regional Economic Expansion, we will now be able to help these people through the critical phase of installing or establishing a factory or a company, until they can operate on a permanent basis. Obviously, requests for these programs are received from areas throughout Canada.

Indeed, 13 projects are now under way or on trial, and I am sure that others will be forthcoming. Mr. Speaker, it must also be added that such programs, especially this one, are not intended to replace banks, credit unions and other lending institutions. It merely supplements those lending institutions, and the groups interested in that project must apply first to a lending institution or to the Federal Business Development Bank. Now, as can be seen, this very important program could assist rural and semi-rural areas where permanent jobs could he created. We are accused of failing to create permanent jobs throughout the country. Mr. Speaker, I have just pointed out a very important program which will enable us to create permanent jobs in various areas.

There is also another program, Mr. Speaker, that has a low profile but is extremely important, the Local Employment Assistance Program commonly known as LEAP. As I said, the program is aimed at people in difficulty, because in high unemployment areas or areas with special problems, some individuals have difficulty first finding a job and secondly keeping it. I think there are specific problems in that respect in a number of areas, but our goal with LEAP is indeed to address that problem. It enables individuals to work on a three-year basis in a given field in order that they may acquire the skills needed to find and keep a job. These programs are on a 12-month basis at first, with an adjustment or program development phase, and $100,000 grants are allotted for their inception.

Then in the operational phase, that extends over a three-year period, as I said, $275,000 is paid in grants to cover up to 50 per cent of salaries within a given industry. Again I can state, Mr. Speaker, that my constituency has benefited from the program. Our friends opposite might be interested to know that in the constituency of Bonaventure we succeeded in creating five industries that are extremely important and will give permanent employment to local people. This is the main thing, Mr. Speaker, to be able to work on a permanent basis. That is why these programs are extremely important and must be maintained.

Finally, Mr. Speaker, I would like to come back to another program that is also most important, the Community Development Projects program. It is also a program that is aimed at a group of people that otherwise could not progress any further.

The Acting Speaker (Mr. Ethier): I am sorry to interrupt the hon. member but his time has expired.

• (1710)

[*English*]

Hon. John Wise (Elgin): Mr. Speaker, this motion is a New Democratic Party motion, and I am certain this is the first time in a very long time that the hon. member for Winnipeg North Centre (Mr. Knowles) is not in his seat. I do not know whether the hon. member is watching this debate today, but I am certain that he will be reading *Hansard* and I want to express my best wishes to him for a very speedy recovery.

Some hon. Members: Hear, hear!

Mr. Wise: The motion put forward today uses such phraseology as "the largest number of pre-Christmas lay-offs", and that brings to my mind lay-offs in automotive industry, and also the farm equipment industry which has been dealt with previously. The motion also uses the word "depression", and that obviously reflects the state of the Canadian agricultural industry today. The motion uses the words "a cynical reversal of the government's election promises", and that is nothing new.

I want to make it perfectly clear that I have equal regard and equal compassion and concern for all the citizens of this country who are fighting, but failing, to maintain their homes, their businesses or their farms. My desire would be to deal equally with all these groups. However, because of the lack of time and my special responsibility in this House, I must deal with the latter group, the Canadian food producers and farmers. In doing so I refer to this country's basic and most vital industry, the food production industry. I will not be speaking just about the 5 per cent of Canadians who produce food nor just the 25 per cent of Canadians who are employed either directly or indirectly in the total food chain, nor just the 23 million or 24 million people in this country, but, indeed, the many human beings who reside throughout what could be described, without any stretch of the imagination, as the hungry world.

As I indicated earlier, seldom, with the possible exception of certain isolated cases in the great depression of 1929, can one

recall when Canadian agriculture experienced such severe and, in many instances, completely devastating financial conditions.

Some might ask why farmers are different, and that is a fair question which deserves an answer. The best answer I can find is one which has been given by Mr. Donald Shaughnessy, a chartered accountant, in his article entitled "Dollars sense". Under the byline "farmers may not survive high cost of borrowing", the first case Mr. Shaughnessy makes indicates that almost all independent farmers are at least in part debt financed. They borrow heavily by necessity to start, they borrow heavily by necessity to operate, and general operating costs are fixed and therefore unavoidable. It is impossible through management to lower those costs significantly. What he means is that a farmer cannot rationally starve or reduce his livestock in numbers or ruin his land.

The second point Shaughnessy makes deals again with an important difference. In farming the revenue-to-asset ratio is extremely low compared with other businesses. This revenue-to-asset ratio is normally as low as one to five or one to ten in farming. In other words, $1 million worth of assets may only produce $100,000 to $200,000 in revenue. In other businesses such as retailing this same ratio normally is two to one or perhaps even three to one. Shaughnessy concludes by indicating that this wide difference in revenue-to-asset ratio means at the bottom line that a general interest rate increase of from 10 per cent to 20 per cent is at least ten times more damaging to farmers than to retailers.

Generally speaking, four problems have contributed to the current financial dilemma in the agricultural industry. The first is the inability for most, if not all, producers to secure adequate returns for their produce in the marketplace. That really should be the fair approach. I had a conversation with one of my constituents last evening, a chap by the name of Jessie Dennis from the east end of my riding, and he indicated to me that if we could only achieve the goal of a fair return—after all, that is where most businesses derive the majority of their incomes—then we would not need a dollar of public money.

The second problem is the ever-increasing costs of farm inputs and particularly petroleum-based products. The third problem is low commodity prices, particularly today, but this has been a problem for quite some time. This is concentrated primarily in the red meat sector. The fourth problem is insidious and astronomic floating interest rates. In far too many cases the latter problem puts the ice cube into the fuel line.

Although a greater degree of financial stability does exist today in certain sectors which are under supply management—that does provide a marketing tool—they are not in any way fully protected against these problems or fully compensated. If these problems continue, producers will continue to lose substantial amounts of equity. In cases of high debt-to-equity ratio operations, financial distress will occur and they eventually will be forced out of business. What I am saying is that given today's conditions it is really only a matter of time.

The operating input cost picture might best be illustrated by providing the following examples, and this is a cost increase comparison between 1970 and 1980 given in percentage terms. The cost of petroleum products went up 166 per cent; mixed fertilizers, up 197 per cent; pesticides, up 243 per cent; feed and seed, up 160 per cent; and—listen to this one—interest, 360 per cent.

It should be noted that these increases do not contain the rapidly escalating increases in 1981 of energy and interest costs. Indeed, if interest costs remain high, and when energy costs double over the next couple of years, these costs will show like increases in about half the time. Total debt on Canadian farms in 1960 was as low as $1.6 billion. In 1970 it had increased to $4.2 billion. In 1979 it increased to $13 billion. It is estimated that in 1981 the total farm debt in Canada could be as high as $15 billion.

The cost of servicing this debt at a 10 per cent interest rate with improved market conditions could be described as manageable, but the cost of servicing this debt at depressed market prices and at a 20 per cent interest rate is obviously impossible to meet. Interest paid by Ontario farmers in 1979 amounted to $373 million, up from some $95 million in the five-year average period from 1970 to 1974. In 1981 the calculated interest paid by Ontario farmers is expected to be about $621 million. That amount surpasses the total income of Ontario farmers.

I had a conversation a couple of days ago with Mr. Henry Epp, who is the president of the Ontario Greenhouse Vegetable Producers Marketing Board, and he expressed concern not only about interest rates but also about energy costs. He indicated to me that about five years ago it required less than $10,000 to heat one acre of greenhouse. Today that figure has increased to $40,000 per acre and, when one projects the requirement for 1985, that $40,000 figure could easily be doubled.

Reference has been made to the fact that farmers buy retail and sell wholesale and that farmers have been under a wage and price control policy for years. That is accurate and true. The example I want to use has been prepared by a chap who farms in Victoria county, a Mr. Seldon Parker. He quite appropriately has used corn as an example. The following clearly demonstrates the loss in purchasing power of that commodity. Incidentally, we hear the Minister of Agriculture (Mr. Whelan) talking day after day about the number of programs in effect. One of his favourite themes is the advantages of advance payments, but corn does not qualify. Ontario's largest cash crop does not qualify for advance payments.

Mr. Parker has used January, 1973, for his example, and he has used one bushel of corn. In 1973 a bushel of corn sold for $1.68. In the other column he shows the price in the fall of 1981. Today corn is selling at $2.96 a bushel. He has taken his purchasing power in 1973 and the number of items he has to purchase, converted that to bushels and compared it in bushel terms to what would be required today.

• (1720)

In 1973 a repair job on his combine required 92 bushels of grain. Incidentally, at that time in dollar terms the job cost him $155. He had the same repair job done last fall at a cost of $1,176. In terms of corn, it required 434 bushels.

A tonne of ammonium nitrate in 1973 required 43 bushels of corn. It now requires 94 bushels. In 1973 a bushel of corn purchased six gallons of diesel fuel. This fall it required 2.7 bushels of corn.

In 1973 he paid his property taxes by marketing 293 bushels of corn. This fall he required 405 bushels of corn to pay those same property taxes. In 1973 he required 818 bushels to pay those expenses for a cost of $1,300. This fall, 1981, he required twice as many bushels, 1,595 bushels, with a dollar value of $4,709.

Simply to get parity with 1973 costs, corn would have to sell at $5.75 a bushel. That would require an increase of $2.80. The difference is exactly what corn is selling for now. To break even and get back to where he was in 1973, corn would have to double in price.

I mentioned earlier that the situation was more severe for the red meat industry. I am sure the hon. member for Medicine Hat (Mr. Hargrave), who is very concerned about this, will speak on this subject in the days ahead. I would like to cite a survey of some 93 beef farmers in three Ontario counties, Bruce, Grey and Wellington, which showed that 42 of the 93 had debts worth more than 75 per cent of what they owned and 23 had debts that exceeded their assets. It would appear that most of these producers whose debts exceeded 75 per cent of their assets are in serious financial difficulty at the present time. Most of those farmers will not likely be able to finance their cattle operation in 1982. The average debt of those 93 farmers was $405,000. Nine of them had liabilities of more than $1 million and one had a debt of $2.2 million. Most of the debt is at floating interest rates which have doubled in the past year while beef prices have remained low.

The survey also showed that only seven of the farmers answering the questionnaire showed a profit of more than $5,000, while 22 of them said they lost more than $75,000 in 1981. To cope with interest rates of more than 20 per cent, 12 farmers sold off land or machinery, four of them liquidated their assets, six got an off-farm job and 23 of them, for whatever good it might do, took out another mortgage. That survey looked at only three Ontario counties. It is interesting to note that Senator Harry Hays, a former minister of agriculture, now in the other place, reportedly said that this problem is general across Canada.

Let us look at the stress, strain, frustration and depression that financial situations like these cause in a rural county. I want to refer to Mrs. Giselle Ireland, a spokesperson for the 250-member Concerned Farm Wives. She said her group studied 100 farm families in Bruce and Grey counties and found them constantly worried about bank payments, with high interest rates and beef prices that have led to huge losses and leaves many farmers merely working for the bank. She said that farmers are traditionally peace-loving people and that they would rather stay on the farm and do what they do best instead of going out and raising hell; but the feeling of being choked over a period of time leaves a sense of hostility and the urge to fight back.

Problems show up in the doctor's office as well. Alan Abelson, a doctor at the Chesley Medical Clinic, said an increasing number of patients are complaining of domestic and financial problems when they come for what he described as routine physical examinations. Dr. W. Knox, a medical doctor from Kincardine, Ontario has stated publicly that, as a result of the economic stress on the rural community, there is a growing awareness among the physicians of his area that there are indeed stresses in many forms appearing in the family unit. He further stated it was the over-all impression that if the current economic stress continues, more serious medical problems will follow.

It is obvious that floating interest rates are sinking many Canadian farmers. The red flags are up. Many farmers and business people have already thrown in the towel. Farm bankruptcies do not tell the whole story. They are only the tip of the iceberg. Farm bankruptcies do, however, indicate the trend.

By the use of the government's own statistical information, we see that farm bankruptcies ahave increased by 147 per cent when we compare the first half of 1979 to the same half of 1981; 147 per cent against 25 per cent over the same period compared to manufacturing, construction, transportation, trade and service industries. If we look at the number of bankruptcies from January 1 to September of this year, we find that there were 191. If we extend that period by one month from January 1 to October 1, we see an increase to 230. Only a fool or an idiot would suggest that all is well in the farm community.

Understandably, this financial crisis has not stopped at the farm gate. Rural commercial business centres are reporting 50 per cent declines in sales and service. Farm service industries are reporting not only declines in sales, but alarming increases in accounts receivable and bad debts.

For example, Robert Laning of Norfolk county, and owner and manager of a very large and diversified farm implement agency, indicates that nobody is buying, and he cannot blame them. I have known Mr. Laning for at least 20 years. He is a very progressive and industrious businessman. He operates a farm dealership and services some 500 machinery and equipment dealer outlets throughout Canada, primarily in Ontario, Quebec and the maritimes.

He has indicated that interest costs to service his inventory have increased by 230 per cent over the past 24 months. His accounts receivable over 60 days have increased by 200 per cent in the last 20 months. He predicts that 30 per cent or more of the dealerships will not survive beyond 1982 if present financial conditions continue. This results in the decline of service and repairs for farmers. This in itself is costly, particularly during the planting and harvesting period. We sometimes run into the ridiculous situation where a $50,000 or $100,000

piece of equipment can remain idle during harvest time while waiting for a $5 part.

I recognize that the budget did provide a one-shot $50 million to the Farm Credit Corporation and a commitment to extend the Small Business Development Bond. The Small Business Development Bond has been completely gutted. It is not a long-term source of capital. My colleague for Cambridge (Mr. Speyer) indicated today a memo had been circulating from head office through the banks instructing them to place a moratorium on the use of the Small Business Development Bond.

● (1730)

The $50 million to the Farm Credit Corporation again is in the right direction but is not an adequate source of long-term capital. In fact, $45 million of that $50 million will be paid back with principal and interest at 11¾ per cent for the first two years and at the full interest rate beyond that period of time.

In this state of emergency then, only $5 million and not $50 million can be designated for special assistance. The Farm Credit Corporation officials admit it will assist only—

The Acting Speaker (Mr. Ethier): Order, please. I regret to interrupt the hon. member, but his allotted time has expired.

The hon. member for Elgin (Mr. Wise) may continue his speech only with unanimous consent.

Some hon. Members: Agreed.

Mr. Wise: I can assure the Chair that I will not abuse that privilege.

The Farm Credit Corporation officials have expressed some disappointment. They have indicated that such a measure will assist only about 350 farmers. Duncan Allan, the newly appointed deputy minister for agriculture and food in Ontario indicated that it might assist one in 15 Ontario farmers. I indicated before, in all fairness, that the direction of course is positive, but the degree of support is disgraceful. This kind of assistance, given the state of the industry, is nothing short of an insult to Canadian farmers. The present condition of Canadian agriculture demands that the government take action now in a number of areas.

First, a moratorium must be imposed on farm bankruptcies, foreclosures and forced sales. Some people have questioned this. Why? It is to prevent 24-hour auction sales, to prevent the sale of productive assets, to eliminate the sale of valuable livestock at slaughterhouse prices and to give the necessary time for governments to put into place programs and policies for the survival and recovery of this industry. That is the wisdom behind such a moratorium.

Second, the Farm Credit Corporation must receive at least $500 million immediately. The required funds could be used exclusively to subsidize interest rates and the remainder could be used to provide the necessary funds to allow the corporation to continue its necessary function.

The Christian Farmers Federation has called for an FCC fund increase of 25 per cent. The Canadian Federation of Agriculture has called for an increase of $1 billion. Fifty million dollars would subsidize an interest rate by 5 per cent for $1 billion worth of debt. Farm Credit Corporation funds are not grants, nor are they handouts. These funds are repaid with principal and interest. Funds of this magnitude would lower a significant number of debts from 20 per cent down to a more manageable level. That is the wisdom of such requests, Mr. Speaker.

Third, the Small Business Development Bond will be administered solely by the banks, if indeed they will participate in it. In order to ensure a reasonable degree of equity and fairness in the decision, an independent review agency should be established with representation from the AGRA community.

Fourth, this government has missed a golden opportunity to implement the AGRA bond concept. The timing is almost perfect. The cost to the public treasury would be extremely small. The benefit to the farming community would be immense. We know that a dollar invested in the agricultural industry generates $7 to $10 in terms of the general economy.

Fifth, the Ontario Federation of Agriculture has proposed a market risk insurance plan. This plan involves a three-way participation between the two levels of government and the producers. This plan has been ignored.

Sixth, the Christian Farmers Federation has carefully studied this financial crisis and has recommended a selected interest rate subsidy of over 12 per cent on short-term and medium-term loans. I am certain that the members of that federation will find little comfort, if any, in the $5 million subsidy contained in the recent budget.

Seventh, what has happened to the government's election promise to update the V-day values? This promise has been completely forgotten. The government has yet to match our offer to double the exemption, to say nothing of a once in a lifetime exemption from this inflationary tax. The hon. member for Lethbridge-Foothills (Mr. Thacker) today indicated there were only a couple of provisions left of which farmers could take advantage to cushion to a small degree the effects of the capital gains tax. One of those provisions has been removed; the other one has been seriously cut.

Eighth, no measures were offered for further rebates on fuels used for food production. Given the increase in cost of this source of energy in the next few years, a total exemption of tax would be appropriate and would benefit all segments of the AGRA food industry, from the producers to the consumers. The hon. member for Medicine Hat indicated, because of the serious state of the beef industry, the red meat industry today, that it is simply imperative for the government to move on to a rational and national stabilization plan. If the beef industry is to survive the crisis it faces today, I believe an emergency payment is essential.

We are losing farmers day by day. The farmers we are losing are among our better farmers. I recall asking a question of the Minister of Finance (Mr. MacEachen) on the first day

of this session. The minister's answer received a lot of press coverage. He was firm in asserting that he would take on the banks. In fact, he said, "I want to see the banks bleed a little". The blood is still flowing out there today. I want to remind the Minister of Finance, although he is not present in the House, that the blood we see flowing out there is not from the bankers but rather from the farmers themselves.

We need these good young farmers now in the industry. We will need them more in the future. As we know this industry, it may not even survive if those conditions last three to five years longer. That is extremely bad news for the Canadian farmers, the consumers, the businessmen, labour and the country as a whole.

This government, and the hon. members opposite, are completely and entirely to blame.

Mr. Dave Dingwall (Cape Breton-East Richmond): I welcome the opportunity to participate in the debate. Before I begin my remarks, I want to say how pleased I am that the hon. member for Hamilton Mountain (Mr. Deans) has introduced this resolution.

I believe it is important that Members of Parliament from time to time debate subject matters that are of great concern to Canadians, whether it is in the form of legislation or a motion debated on an opposition day. I also want to point out that the party to my right, the pink rump as I call it, have no monopoly whatsoever on compassion.

The hon. member for Broadview-Greenwood (Mr. Rae) quoted a lot and indulged in a lot of phraseology. What could be more despicable than this rich kid, more condescending than this moralizing professor—I do not know what the hon. member is a professor of—trying to tell the Canadian people what to do? I suggest that his intention is to confuse and to cause more hardship. That is the only way the hon. member gets elected. I would like to state clearly for the record—and I have to agree with the hon. member for Elgin (Mr. Wise)—that the hon. member and the NDP party are not the only ones to have some degree of compassion.

The budget that was introduced to the House on November 12, contained three main thrusts that somehow the opposition members, particularly the New Democratic Party, would like to distort. They did not check the facts, Mr. Speaker. There are a lot of facts that ought to be placed before Parliament so that the Canadian people may know exactly what is taking place.

● (1740)

There are three points in the budget that I wish to deal with: restraint, renewal and equity. Restraint is aimed at reducing the deficit, which in part has an effect on inflation as well as on interest rates and on employment. Equity is dealt with in the measures which were tabled, such as the taxable loopholes which were closed. And, of course, assistance has been given to small-business men, farmers and home owners. I suggest to the hon. member for Hamilton Mountain that assistance for small-business men will create jobs and ensure jobs for the future.

In his opening remarks the hon. member said that the policy of the government will lead to the dislocation of workers. What could be more untrue or inaccurate? That statement is not factual. We all know the position of his party on nuclear energy, and I should like to cite two examples in that area. There is a heavy water plant in my riding. If the government's aim were the dislocation of workers, perhaps it would have closed that plant. But the plant has not been closed; it continues to get subsidies and has provided 400 or 450 jobs.

The other inaccurate statement concerned another corporation in my area, namely, the Cape Breton Development Corporation. If the government wanted to dislocate workers, it would have shifted to British Columbia the 4,000 coalminers employed there. That is what the NDP has been talking about. The corporation continues to get subsidies, however, although it is a losing proposition. But it has created 4,500 jobs. Those are the facts, Mr. Speaker, and those facts play on the nerves of hon. members opposite.

There are a number of other points which I wish to deal with later but I know I speak for my colleagues when I say we have the deepest sympathy for Canadians facing uncertain employment, especially as the Christmas season draws near. Sympathy is never enough for people in trouble. The government has always relied upon action rather than hollow words to help those in need.

Our compassion for workers is shown in the most generous and the best unemployment insurance package in the world. That is not to suggest that it is perfect. The program needs revisions, and those will come about because I have confidence in the ability and integrity of the Minister of Manpower and Immigration (Mr. Axworthy).

Some hon. Members: Hear, hear!

Mr. Dingwall: Hon. members opposite often create confusion when they speak of lay-offs because they do not differentiate between temporary lay-offs and long term or even permanent lay-offs. It is certainly regrettable, but nevertheless it is a fact of life, that workers will have to be unemployed during the time a plant re-tools, for example, or experiences a disruption in the flow of material. Unemployment insurance can provide stability to the labour market in such times through its maintenance income mechanism.

The UI program was designed to give those who had been laid off temporary financial assistance to tide them over until they become re-employed. Unemployment insurance helps people pay their bills between jobs. Workers pay premiums to insure themselves against the unexpected loss of jobs. UI gives financial protection against this loss.

As hon. members know, at the present time there is a task force whose report has been made public. It is a working document which contains some recommendations with which I personally do not agree, but nevertheless I hope that with the co-operation of all Members of Parliament, when the package is introduced some time in the new year, those injustices will be corrected.

There are many examples of the way in which the Department of Manpower and Immigration has designed programs to help unemployed workers. I should like to describe two of them. The firm making Blue Bell jeans had two locations, one in Renfrew and one in Carleton Place, Ontario. When these two factories closed down, it meant that over 100 people were without jobs. UI agents from the Canada Employment Centre went to work immediately. Using standard departmental procedures they interviewed all the employees who were affected by the lay-offs. I can see that hon. members in the New Democratic Party do not care about the unemployed because they laugh and chuckle.

These interviews accomplished several things. The first concern of most people is how they are going to pay the rent next month. At the work site, UI agents complete the initial paper work for the UI claims so that the workers can get financial help as quickly as possible and get on with the business of finding other jobs.

Finding jobs for the workers is the other part of these interviews, Mr. Speaker. Some workers are not willing to move. It must be determined what work experience and qualifications they have and whether training could help. The answers to such questions allow employment counsellors to help those who have been laid off to find jobs. The department and this government do more than merely give someone a few dollars, saying "good luck". The government takes seriously its responsibility to help them maintain their productive place in society. Providing UI does this temporarily and helping them to secure a new job does it permanently.

A more dramatic example occurred in Stephenville, Newfoundland, when the liner board company was in difficulty in 1977 and had to be baled out. The loss of the American air force base meant a loss of business, and for the community it also meant that over 500 people were thrown out of work. Again, the Canada Employment Centre moved in using standard procedures, every employee affected was interviewed to see if he or she qualified for unemployment insurance and employment programs such as mobility and training aid. This information was used to blitz the various employment centres and large employers. As a result, most people found new work, and the community survived.

A footnote to this shows that the community now has an opportunity to prosper. Abitibi-Price has bought the old liner board company and is opening a paper mill. Undoubtedly, lay-offs are inevitable and hon. members across the floor must face that reality as we do.

The record of this government shows its use of complex unemployment insurance and employment programs to help individuals with the social impact of lay-offs.

Another response to temporary lay-offs is special job-creation measures. For a moment I should like to refer to a number of decisions made by the government as they relate to job creation. Direct decisions taken by cabinet will mean jobs and prosperity for many communities throughout Canada. The hon. member for Hamilton Mountain did not refer to those decisions, however. He wishes to put them aside because he is the communicator of gloom and doom. Michelin Tire in Nova Scotia was provided with money by the Government of Canada. At the completion of this program it will have created some 1,850 jobs, and that is a fact, Mr. Speaker.

Some hon. Members: Hear, hear!

Mr. Dingwall: Michelin will employ 5,200 people in Nova Scotia, thus becoming the largest manufacturing employer in Atlantic Canada. Production at this plant is scheduled to begin in July, 1982.

Another decision taken by the Government of Canada relates to the Sydney Steel Corporation. It is not in my riding but it is adjacent to it. A sizeable sum of money, $96.2 million was provided to the Sydney Steel Corporation for modernization. That creates jobs and despite what the NDP might allude to, despite all their rhetoric, that is a fact, and they should acknowledge it. But the NDP is the communicator of gloom and doom.

There are other decisions that I wish to refer to very briefly because I think that it is important that all members of Parliament, not just the pink rump on that side, be made aware of them.

• (1750)

The Industry and Labour Adjustment Program, a very good program, in the amount of $350 million. It involves four communities which are suffering from high unemployment and are receiving special assistance directly from the Government of Canada. Four departments of the Government of Canada are involved: DREE, Industry, Trade and Commerce, Employment and Immigration and Finance. I think that this information should be made known to Members of Parliament, it should be tabled, and all Members of Parliament should acknowledge that fact.

Of course, the Strait of Canso development is another initiative in the province of Nova Scotia. There are a couple of hundred across the country, but I am just referring to the ones for the province of Nova Scotia. The government provided an additional $3.2 million for the Canada-Nova Scotia subsidiary agreement for the Strait of Canso area development. That too will create jobs.

An hon. Member: Is private enterprise producing any jobs?

Mr. Dingwall: Of course, we all know where the NDP sit concerning nuclear energy, but they do not go down and tell the workers of the heavy water plant what they think. The NDP will not communicate that. However, in February, 1981, a decision was made to transfer the title of the Government of Canada's $300 million general uranium stockpile to Eldorado Nuclear Limited. The committee agreed in January, 1981, to seek parliamentary approval to lighten the debt load of Atomic Energy of Canada by $822.7 million. That creates jobs, and has created 450 in one location, in my own constituency. That is very important. That is another fact.

Of course, nothing is mentioned by the New Democratic Party concerning the money which was provided under the Nova Scotia Ocean Industries Agreement. In July of 1981, a five-year subsidy agreement to spur the ocean industry in Nova Scotia was announced. A federal contribution of $23 million will go, in part, toward the creation of a federal government ocean industry office in Nova Scotia to assist those industries which are closely tied to the ocean so that jobs will be created and prosperity brought to those areas of Atlantic Canada.

There are numerous other examples. I briefly referred to the Cape Breton Development Corporation. That, too, received additional moneys from the Government of Canada to create jobs. I hope we will continue to do that in the future. I must underline another fact not accepted and then swept under the rug by the NDP because they want to communicate to the Canadian people doom and gloom and predictions that everything will fall.

It should be kept in mind that an extremely high percentage of lay-offs are temporary. Thus we must look beyond the bald figures to assess the real seriousness of the problem. Superficial comments on lay-offs are no better than the scare tactics which serve no purpose other than to embarrass the government. In fact, this government has long recognized that so-called permanent lay-offs can be prevented through careful planning. For a number of years, the government has been quietly working behind the scenes with management and labour in searching out ways to prevent lay-offs from taking place because of technological or economic changes.

Hon. members should underline the name of the program, manpower consultative services, because it is a most effective way to stabilize the labour market. I mention this program because I do not believe it has been receiving all that much fanfare. Long before the bleak reality of lay-offs occur, this service moves in, bringing management and labour together through a special committee which examines the situation in detail. Experts are made available to the committee and the federal government picks up the tab for 50 per cent of the financial outlays.

Here are two examples of how this approach has prevented lay-offs. Continental Kitchens of Concord, Ontario, was forced into receivership and 50 workers are in imminent danger of losing their jobs. This service brought in outside experts who were able to show that the long-range prospects of the firm were bright. Thus today that firm is no longer in receivership and not one person lost his or her job. A similar situation existed for the Toronto manufacturing firm of Shiffer-Hillman, and this time some 130 jobs were saved thanks to this particular service.

Let it not be said by opposition members, and particularly by that group down there, that the government is just sitting back. We know where those hon. members sit on a variety of issues—

An hon. Member: The NDP.

Mr. Dingwall: —whether it be the Constitution, nuclear energy or whatever. Those hon. members are talking out of both sides of their mouths. It should be noted that the Government of Canada is not just sitting back. We are taking bold initiatives. Some of them are new and some are initiatives which we have revamped from previous years. Nevertheless, we are attempting to address this particular issue.

A great deal can be accomplished, I believe, merely by providing a framework to enable the private sector to absorb laid-off workers. Naturally, the government is also willing and eager to help place the workers in immediate employment. In recent years, great strides have been made in improving the job-matching performance of the government. Through the use of regional and national computer systems, job matching can be done in a matter of minutes. As I understand it, an unemployed welder in Moncton, for example, can visit the Canada Employment Centre there and request a national job search. Within minutes, he should have a number from which to choose and can even make his own job interview and arrangements on the spot. For laid-off workers willing to relocate, the government's generous mobility assistance is vital in getting them re-established as soon as possible. I believe there are several types of mobility assistance available, from helping to defray the costs of trips to look for new jobs to generous relocation allowances.

Whenever efforts to find jobs locally fail and mobility is not a viable alternative, the government can help laid-off workers, as I said before, through its massive expenditures in training which amount, I believe, to approximately $750 million annually. Nevertheless, many of those workers probably need to upgrade their skills to secure more permanent jobs. As I said, the government offers very generous financial aid to firms in the private sector which take on unemployed workers for on-the-job training. I am sure that many hon. members will agree with me that this is the most effective way to get the unemployed working again.

Before I conclude my remarks, I wish to reiterate that when subject matters of job creation and unemployment are raised in the House, I, as one Member of Parliament, will listen very carefully to what hon. members opposite have to say about the causes of unemployment and what they have to say in terms of job creation. However, I will not stand in my place and listen to hon. members opposite, particularly those from that group down there, quote facts which are inaccurate. I sincerely believe that it adds nothing to the process because we are involved here in a very serious process, one of trying to assist the unemployed, to create jobs—

The Acting Speaker (Mr. Ethier): Order, please. I regret to interrupt the hon. gentleman, but his allotted time has expired. With the permission of the House, the hon. member may continue.

Some hon. Members: Agreed.

Some hon. Members: Be nice!

Mr. Dingwall: Thank you very much. Hon. members are requesting that I be nice. I am always nice. However, I want to assure the House that it is my intention and desire to listen to their concerns and to listen to what they want to suggest on how we can improve upon our programs. However, again, I will not sit here and listen to their facts which are totally inaccurate. I believe that all hon. members should approach this debate very seriously. When one approaches this debate on the unemployed and job creation, one must put all the facts on the table, both the good and the bad. I hope that in the ensuing months, all of us on all sides of this House will hear some good music in the sense that job creation will be heightened and that the unemployment rate will be substantially reduced. I think that is the wish of us all.

Some hon. Members: Hear, hear!

The Acting Speaker (Mr. Ethier): It is just prior to six o'clock. I would recognize the hon. member for Nanaimo-Alberni (Mr. Miller); however, it being six o'clock, I will leave the Chair until eight o'clock.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

Mr. Deputy Speaker: When the House recessed for the dinner hour, the hon. member for Nanaimo-Alberni (Mr. Miller) was to be given the floor.

Mr. Ted Miller (Nanaimo-Alberni): Mr. Speaker, I am pleased to be able to speak on this opposition day motion. The hon. member for Cape Breton-East Richmond (Mr. Dingwall) gave the New Democratic Party a compliment. He also complimented those people in Canada who have been protesting government policies over a year and a half. On this side of the House we were beginning to feel that our arguments on the economy and interest rates were not being listened to. Obviously from the kind of reaction we had from the hon. member and the Minister of Employment and Immigration (Mr. Axworthy) some impact has been felt by the government because it has become fairly sensitive to what it feels is becoming known in the land as an uncaring government. We have heard a lot about caring from the members of the government side today. Government members profess to be as caring as the New Democratic Party. This is quite hard to believe. If that is what the government members wish to believe, that is fine.

Perhaps the message from those people who come from Mississauga and Toronto about the housing crisis, did get through to the government, although that did not appear to be the case at the time. Perhaps the message from those people who came to protest the curtailment of VIA Rail, got through to this government. Perhaps the telegrams had some impact. Perhaps the message which the native people brought to Parliament Hill this afternoon got through to this government. I would like to ask those members on the Liberal side who are caring whether they are caring enough to carry a message to the Solicitor General (Mr. Kaplan). I am concerned about this afternoon's demonstration by our native people in front of the Parliament buildings. As a Member of Parliament, I thought it quite disgraceful that our native people were greeted in front of the Parliament of Canada by a line of RCMP officers. If we are sensitive to the feelings of Canadians, whether they are native Canadians, Canadian women or the population as a whole, we should greet the Canadian public in front of our Parliament buildings without having a line of RCMP officers there, especially when the demonstration is peaceful or just a demonstration for recognition as Canadians. I hope the members who are here will take that message to their colleagues who are not. What happened this afternoon was a disgraceful exhibition.

I am sure that the people in my constituency are as amazed as I am each time we have an election, because the Liberal Party seems to confound the public into believing that everything is new and that it has no responsibility for what happened in Canada previously. Today we have heard all about wonderful Liberal programs the government is introducing to create jobs and to protect the income of Canadians. We hear about an industrial strategy. But this government has been in power since 1963, with the exception of nine short months. I am sure those months seemed very short to the Tory party, but they were very long months for many Canadians. The government on the other side of the House has not lived up to the campaign promises which it has made to the Canadian public for years. I hope that Canadians in Ontario and in Quebec in particular will wake up to the fact that campaign promises we hear from this government are really just campaign promises.

The hon. member for Cape Breton-East Richmond condemned the New Democratic Party for being purveyors of doom and gloom. It is not the New Democratic Party and it is not the Tory party who are the purveyors of doom and gloom, it is the economic conditions of this country. The Canadian public know what the Canadian economy is all about. A recent Gallup poll showed that 65 per cent of Canadians surveyed expect our economy to get worse this winter. In British Columbia, 72 per cent of those polled have lost confidence in the Canadian economy and in our federal government. In Atlantic Canada 77 per cent of those polled feel that unemployment and economic conditions will get worse instead of better. The poll was taken before the introduction of the budget.

It would be interesting to find out now what the attitude of the people living in Atlantic Canada and elsewhere in Canada is after having a budget presented which does nothing to put people back to work. This budget is the most dismal budget ever delivered by a minister of finance for years and years, especially in a period when Canadians are facing crisis situations in home ownership, business, fishing and farming. It is no wonder that the people in Atlantic Canada are pessimistic about the government's willingness to improve the situation.

The disastrous unemployment statistics published earlier this year show 989,000 people unemployed and probably another half a million so-called hidden unemployed, at least hidden from the minds of this uncaring Liberal government.

In Nova Scotia the figures indicate that 11 per cent of the labour force is unemployed. That figure is now probably closer to 14 per cent. In Prince Edward Island there are over 12 per cent unemployed, and in New Brunswick well over 13 per cent. In Newfoundland, according to official statistics, at least 15.2 per cent of the work force are unemployed. In all, over 300,000 people are unemployed in the four Atlantic provinces. That is a disgraceful situation in a country with the wealth and human resources we have.

As we follow this monetarist economic policy which is laid down for us by the United States, we are not only getting higher unemployment, we are also experiencing higher inflation, instead of the lower inflation promised by this policy of high interest rates. Inflation is not being reduced. This is evidenced by the massive increase in the cost of living in Atlantic Canada. In Prince Edward Island the consumer price index increased by 13.4 per cent between October, 1980, and October, 1981. In the same period, inflation went up 8 per cent in St. John's, Newfoundland, 12.1 per cent in Saint John, New Brunswick, and 11.4 per cent in Halifax. This compares with a national average of 9.1 per cent.

• (2010)

There seems to be no plan for stimulating the industry or investment in Atlantic Canada even though the major employer, particularly in Newfoundland, has seen a drastic reduction in investment in the fishing industry, from $91 million in 1979 to $53.4 million this year. While we do not like to dwell on the negative, I think it is worth while once again to remind the government, which has some ability to change economic conditions in this country, that it has some responsibility to Atlantic Canada as well as to the rest of the nation.

An hon. Member: This government has no ability.

Mr. Miller: It lacks ability but we hope it will develop some ability soon.

An estimated one-half of the 6,000 students graduating from Nova Scotia universities each year have to go elsewhere for employment, not because they want to leave the Atlantic provinces but because they must. They have been doing that for generations.

The federal government recently reduced the number of civil servants in Prince Edward Island by 138. This again is a blow to that economy caused by this budget. VIA Rail cutbacks will result in the loss of 280 jobs in Atlantic Canada, and will create more difficulty for employees and passengers.

Consolidated Rambler Mines is planning to shut down its copper mine at Baie Verte, Newfoundland, resulting in some 900 workers being laid off. This is a direct result of the high interest rate policy followed by the federal government and, I might say, followed by the Reagan government in the United States.

The unemployment picture in Atlantic Canada is disgraceful, and we have a government which seems unable to do anything to improve a situation that has been continuing for many years. While there are more statistics that could be quoted, I think, as my colleague the hon. member for Hamilton Mountain (Mr. Deans) indicated earlier in the day, we really do not often put a face on the picture of unemployment. Today the NDP caucus met with representatives of the Canadian Labour Congress. Its representatives will be here on the weekend to add, hopefully, a very loud and strong voice to the protest of government economic policy as well as the government's interest rate policy. Regardless of the number of people who show up for the demonstration in front of Parliament on Saturday, you can be sure that tens of thousands of other people wish they could be in Ottawa to pass a message on to the government but who cannot afford to travel being on unemployment insurance or on human resources welfare.

Let me recount some of the stories we heard from members of the delegation who met with us today. A member from the Newfoundland Federation of Labour indicated that from 37 per cent to 40 per cent of the people belonging to that federation are unemployed. We were told that two mines were to be closed down, throwing many more people out of work. Probably compounding the problem extensively is the fact that the pension plan, to which the employees of one of those mines had contributed $1.5 million, was going to be lost to those members and there is no money with which to pay the pensions.

We were told that another mine was to be closed down because the company could make more money by putting its capital in the bank. That company was prepared to do that even though it meant throwing people out of work and on unemployment insurance. In this way the company can make more profit through bank interest, instead of putting the capital to work.

The fishing industry this year in Newfoundland was the worst it has ever been because of a combination of poor inshore and offshore fisheries stocks and federal government mismanagement. If Fonse Faour were part of the NDP now we would probably have very good representation from Newfoundland. That industry, which is the backbone of the Newfoundland economy, experienced a disastrous year, and the answer of the government to that loss of revenue was a $1.5 million make-work project so that people would have enough weeks of work to be eligible for unemployment insurance. That was inadequate but the best this government could do.

An hon. Member: A band-aid.

Mr. Miller: As my colleague points out, it was band-aid treatment for the economy.

Not only are the fishing and mining industries in trouble, the forestry industry in this country is facing difficulties. Our forest industry is the main exporter of this nation and the main revenue producer for provincial and federal governments.

Because of high interest rates woodworkers right across the country are unemployed. In my own riding of Nanaimo-Alberni there is a town which has 6,000 woodworkers with 1,500 of them now unemployed. The town itself is hurting, the businessmen are losing money and home owners are losing their houses because of this government's high interest rate policy.

A young fellow from Nova Scotia who came with the CLC to meet with us made representations to our caucus this morning. He put a human face to this picture of high interest rates and unemployment. His story could be applied to all kinds of woodworkers across this nation. There are some 11,300 unemployed in British Columbia. Some 47 per cent of the B.C. plywood industry is inactive because of the slowdown in home construction. About 85 per cent of the plywood manufactured in this nation goes to the construction of Canadian homes. We have unemployed plywood workers and at the same time we have people looking for homes and apartments who cannot afford them and we have many families losing their homes. Bob from Nova Scotia, who has five children, has to pay 60 per cent of his income toward his mortgage because of the 22 per cent interest rate. He represents 14,000 home owners in Atlantic Canada, 30 per cent to 40 per cent of whom are facing mortgage renewals in the next three months with interest rates fluctuating.

We in the NDP have some suggestions for this government. We have been hearing for years and years from the Minister of Industry, Trade and Commerce (Mr. Gray) about an industrial strategy. We want to know why we cannot employ more people in Atlantic Canada in the shipbuilding industry and establish a merchant marine. We have too many people in Atlantic Canada trying to make a living with a limited resource. The fishing industry just cannot support the number of people who are presently trying to make a living from fisheries. These people have no other employment opportunities. We want to know why this government does not move toward an industrial strategy which would enable the manufacture of more goods in Canada. We want to know why we in the maritimes cannot have our own shipbuilding industry.

● (2020)

Through Bill C-48 we are not going to produce the jobs and equipment necessary for offshore and northern development of oil and gas. We should be doing this and we should be insisting that the spin-off jobs go to Atlantic Canada, central and western Canada to produce income and a strong social fabric so that families can afford to purchase homes and feed their children as well as give them access to community facilities, thus encouraging families to remain together.

There is a dilemma facing families in Canada in that both parents have to work and often their children are placed in inadequate day care facilities. In some of the worst cases, families of the unemployed have to split up to enable the wife and children to apply for welfare because they can get more from welfare than if they were living together as a family. I have had that very example in Ottawa from the CLC.

When we talk about caring, we talk about caring for people in this country. This government has made many objections to our accusations that it is not a caring government. Our party is not the one who is sending this message to the government. It is our constituents who are sending it through us.

It is time that the government woke up to the real facts of life in this great nation which could be greater without a Liberal government.

Some hon. Members: Hear, hear!

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Mr. Speaker, today's motion claims that this government has rejected its commitments to stimulate long-term job creation through a comprehensive approach to economic policy planning. I believe that the facts are precisely the opposite to what these hon. members from the New Democratic Party would have this House and the Canadian public believe.

In the Speech from the Throne delivered on April 14, 1980, the government set out in clear and definite terms the nature of our industrial policy commitment. It said that the government would "promote a national development policy that would provide jobs, stimulate growth, build on regional strength and increase Canadian ownership and control of the economy".

With the budget last week, the Minister of Finance (Mr. MacEachen) published a paper entitled, "Economic Development for the 1980s" which brings together in a single document the policies and priorities of the Government of Canada for national economic development. The opposition members would have the public believe that what this document says about the role of the federal government in economic development falls short of the commitment which we have made in industrial policy. I think they are very wrong in this idea. I believe the principles and priorities set out in that document reflect a consistent adherence to the commitments on industrial and economic development policy which the government made at the beginning of its mandate and which have since guided its extensive work on industrial development policy.

The role we have set for the national government in facilitating economic growth and industrial renewal is a vigorous one. The government is and will remain an active player in the industrial development of this country.

The government believes that in the future, as in the past, private sector responses to market signals must map the essential direction of economic growth where markets function effectively.

Nevertheless, there is, in our view, a continuing need for government action to support private entrepreneurial activity, to promote the maximum competitive industrial performance and bring about a fair sharing of the benefits of growth in every region of Canada.

As the economic development document states:

> The Government of Canada must assume a leadership role in the field of economic development. Harnessing the resources of the economy is a national enterprise which includes but extends beyond the interests of particular regions

or sectors. The policies and programs of the national government represent major instruments for managing and exploiting the development opportunities and ensuring that the benefits are shared fairly.

That is an important extract from the economic development document. These are not empty words, as is demonstrated in the many actions we have taken over the past 20 months.

There is the Industrial Labour Adjustment Program with more than $300 million for this year and the next two years. There is the funding of $250 million over the next five years for the Canadian Industrial Renewal Board. Both these programs are in place to create, over the coming months, long term jobs in areas and industries that are presently undergoing substantial restructuring.

I can also point out other examples, such as the agreement made pursuant to discussions with the Ford Motor Company to provide 1,000 jobs in the Oakville assembly plant of that company and to ensure that new front wheel Ford cars—

Mr. Stevens: What about the lay-offs?

Mr. Gray: —will be built in Canada. There is the duty remission program for front-end loaders in Canada implemented for the purpose of creating 800 direct and 400 indirect long-term jobs.

Mr. Stevens: How about the lay-offs?

Mr. Gray: There is the direct action taken to restructure and Canadianize White Farm in Brantford to restore hundreds of jobs to that company. There is the $54 million in financial support extended to Michelin Tire to build a third tire plant in Nova Scotia, which will provide approximately 1,836 long-term jobs.

An hon. Member: What about Massey-Ferguson?

Mr. Gray: And there are the federal government's other basic commitments on industrial policy which are also brought forward in the central themes of the economic development strategy document, as they have been in the major economic policy initiatives—

Mr. Stevens: Why don't you tell us about the lay-offs?

Mr. Gray: —taken since this government took office. For example, Canada's rich resource base—

Mr. Hovdebo: Mr. Speaker, I rise on a point of order. I wonder if the hon. minister would accept a question now?

Mr. Deputy Speaker: Would the hon. minister accept a question from the hon. member for Prince Albert (Mr. Hovdebo)?

M. Gray: Mr. Speaker, time is strictly limited in this debate, so if there is time after I conclude my remarks I would be delighted to accept questions.

An hon. Member: You are scared.

Mr. Gray: As I was saying, Mr. Speaker, Canada's rich resource base, as said in the April 14 throne speech, is "a basic building block" for a great deal of our future industrial development.

An hon. Member: Who wrote that speech for you?

Mr. Gray: The economic development paper brings this commitment forward by highlighting a number of new government measures to enhance industrial activity in relation to our natural resources, such as hydrocarbons, agriculture, mining and forestry. But, perhaps even more important, these initiatives follow the introduction of the comprehensive National Energy Program which embarked the country on a great new national effort to realize the full potential for the development of our oil and gas resources and to ensure fair sharing of the benefits to Canadians across the country from that development.

Most recently, we have established in my department the office of regional and industrial benefits, and I stated, in announcing that program last August, the objectives and guidelines of the federal government for industrial benefits from the megaprojects.

All this was to promote competitive access by Canadian businesses and workers to oil and gas development on the Canada lands as well as major resource and other developments elsewhere in our country.

An hon. Member: It is not worth it.

Mr. Gray: The motion before this House accuses the government of having industrial policies which fail to create long-term jobs.

Mr. Stevens: True, true.

Mr. Gray: But inherent in the major project activities anticipated over the next 20 years are tens of thousands—

An hon. Member: How about today?

Mr. Gray: —of long-term jobs in construction, machinery handling, drilling as well as high technology areas. Indeed, the major projects task force predicted that between now and the year 2,000, major projects would generate about 20,000 new jobs in the high technology area.

An hon. Member: We have a million unemployed now.

Mr. Gray: The industrial benefits measures we have announced are designed to ensure that these job opportunities, as well as the other potential industrial benefits to Canada for major project activities, are realized for companies in Canada and for Canadian workers.

We are also strengthening Canada's research and development capacity through such actions as those taken in recent months, for example, to support the development by Pratt & Whitney of the PT-7 aircraft engine and by de Havilland of the Dash-8 commuter airplane. Although these companies have, in recent weeks, experienced lay-offs as a result of a

severe downturn in the foreign markets that account for 80 per cent of the sales of products, the federal support for development of the new product lines, the Dash-8 and PT-7, is expected to create approximately 4,000 new and long-term jobs by 1983.

• (2030)

Federal government funding has also made possible the establishment of microelectronics centres of technology at six Canadian universities. We are taking steps, for example, to ensure for the various regions of Canada the benefit of the CF-18 fighter aircraft contract. There is the creation, by way of example, of the General Aluminium Forgings plant in Winnipeg through $3.1 million of federal government support. Another example is the hundreds of long-term jobs expected to flow from the signing of our memorandum of understanding with Bayly Engineering respecting that company's future activities in Canada.

Mr. Jelinek: Mr. Speaker, I rise on a point of order. The minister is not sticking to the motion put by the New Democratic Party. I wonder if he would mention the lay-offs at Massey-Ferguson and in the auto industry.

Mr. Deputy Speaker: The minister has the floor. The hon. member has not made a point of order.

Mr. Gray: Mr. Speaker, there would be no Massey-Ferguson today, no people working there and no jobs for laid-off workers to come back to had we on this side of the House not done what we did to ensure the restructuring and continuance of the company. I am certainly sticking to the motion. I am responding to the unjustified charge that our policies are not working to create long-term jobs.

One of our basic election commitments on industrial policy as stated in the economic development document is to work in the area of research and development. That document stated that exclusive of tax expenditures, the government is spending some $1.5 billion on research and development this year. The document also announced the establishment of a new industrial opportunities program to improve and make more effective the government's support of industrial innovation and development. It commits the government to put in place new measures to support high risk innovative activity by Canadian entrepreneurs; this in addition to the wide range of existing tax related and funded programs that support this highly productive and vitally important part of economic activity in Canada.

Another central element of our approach to industrial policy, to which we committed ourselves during the last federal election campaign, is to encourage independent Canadian-owned enterprise. Here several important steps have already been taken to support small and medium-sized businesses which are largely Canadian owned.

Last year my colleague, the Minister of State for Small Businesses and Tourism (Mr. Lapointe), sponsored amendments to the Small Businesses Loans Act and the legislation governing the Federal Business Development Bank to expand significantly the federal programs operated under these laws aimed at assisting Canadian small business. Following this government's extension of the Small Business Development Bond program, it is estimated that by the end of this year at least $2 billion in loans will have been committed to small business under this program. I was pleased recently to be able to announce the establishment of the first company, with several others about to follow, under the federal government's credit reinsurance program, and this program has the potential to make up to $1 billion of long-term loan funds available to small and medium-sized businesses.

Last week's budget itself and the economic development strategy document build vigorously on the already very significant measures which the government has introduced since taking office to encourage independent small and medium-sized businesses. In the budget, the government has responded to representations we had received from the small business community by raising significantly the limits of small business eligibility for the special tax rate afforded to small businesses and by eliminating the corporate surtax for small businesses.

The budget also extended the reach of the Small Business Development Bond program to include unincorporated businesses. These tax measures are complemented by the commitments made in the industrial development document to enhance, as I said earlier, venture capital assistance for small and medium-sized Canadian businesses as well as to broaden the role of the Federal Business Development Bank to strengthen its capacity to support small business in this country.

Mr. Deans: How many unemployed are there?

Mr. Gray: Finally, there was the commitment to expand Canadian control of the economy while increasing the benefits for Canadians from the foreign investment already here, a commitment about which there has been a lot of talk in the last six days in terms of an alleged back-off by the government. I want to say that that allegation, like so many others we have heard from hon. members opposite in the past week, is not accurate. In the first place, it was only a year ago that this government put in place the specific mechanisms that will permit us to achieve 50 per cent ownership within ten years by Canadians of the vital oil and gas industry. In the short time since then the progress on Canadianizing oil and gas, a sector which accounts for approximately 5 per cent of the entire gross national product of Canada, has been such that in 12 months the percentage of revenues from the oil and gas producing sector going to Canadian-controlled companies has climbed from 28 per cent to 34 per cent, again in only one year.

In the economic development document published with the budget the government made a strong endorsation of the operations of the Foreign Investment Review Agency and the principle underlying it that "foreign investment must be of significant benefit to Canada." While it says two relatively limited new actions respecting foreign investment policy will not be introduced for the time being, the document does announce the government's intention to implement a new

process of dialogue with large foreign and Canadian-controlled corporations operating in Canada. This process will aim to ensure that, in the words of the document:

> Foreign-controlled corporations and their Canadian counterparts alike contribute fully to the development of an innovative and internationally competitive industrial structure, pursuing Canadian objectives in areas such as research and development and international marketing with equal vigour.

This initiative will be an important addition to the many policy instruments already in place to improve the over-all performance of the Canadian economy and, in particular, its capacity to create permanent jobs in every one of Canada's regions.

In what I have said about the government's major and diverse activities in creating jobs, our record of effort in meeting specific commitments on national economic development policy and our continuing adherence to the principles and priorities of government activism in support of economic growth across the country there are, I believe, convincing answers to the empty motion of the New Democratic Party. Of course, no one could fail to recognize that at the present time the economy in Canada, as in the rest of the world, is experiencing particular difficulties—

Mr. Stevens: Mr. Speaker, I rise on a point of order. As a matter of good order I wonder if the minister would indicate whether he is informed by Senator Olson, before important economic decisions are made, or does he simply hear of the decisions after they are made?

Mr. Gray: Mr. Speaker, if my hon. friend will tell us the inside story of the Bank of Western Canada, perhaps some day I will tell him about how we on this side of the House work together in the interests of the Canadian people, the Canadian economy and Canadian workers.

Mr. Deans: I would like to hear both those stories.

Mr. Gray: As I was saying, no one can fail to recognize that at the present time the economy in Canada, as in the rest of the world, is experiencing particular difficulties, the consequences of which are being felt to a greater or lesser degree by virtually every Canadian. We as the national government have to address these difficulties, particularly when for certain groups in the population they are creating genuine hardship. We are addressing them through special assistance measures—

Mr. Stevens: Mr. Speaker, I rise on a point of order. As Your Honour will have noted, I have been asked to reveal the inside story of the Bank of Western Canada. I am very willing to do that, but can we hear the minister tell us about Senator Olson?

Mr. Deputy Speaker: The hon. member does not have a point of order. The hon. member has put a question to the minister, and the minister has replied.

Mr. Gray: Mr. Speaker, what I am saying must hurt. Hon. members opposite have no response to what I am saying; otherwise they would not be trying to interrupt me with frivolous and spurious points of order. What I have said demonstrates conclusively that I have the facts and they have nothing but empty drivel.

We are addressing these hardships through special assistance measures like those relating to home owners, farmers and small business announced in the budget but also through an approach to economic policy planning and strategy that ensures that the response of the government to short-term economic challenges is consistent with and makes progress by capturing the enormous long-term opportunities that are emerging in the Canadian economy. The budget does this through its emphasis on restoring stability to prices and interest rates, and our economic development strategy does this through its variety and comprehensiveness. It does this through its attention to regional as well as national economic development requirements and through its emphasis on building on the country's many strengths in meeting the challenges and opportunities of the 1980s.

● (2040)

Far from being a retreat from the commitments this government made during the campaign, the economic development document in particular moves them substantially, and a long way forward. It sets them out in a framework that in itself forms the basis for new policy initiatives, the details of which will be announced in coming weeks and months, initiatives aimed at ensuring industrial revitalization, long-term job creation and the full realization of the country's enormous economic potential.

Mr. Deputy Speaker: The hon. member for Prince Albert (Mr. Hovdebo) was earlier seeking to ask a question. The minister still has two minutes remaining.

Mr. Hovdebo: Mr. Speaker, the minister gave a lot of figures about how well the government has treated the Ford Motor Company, Massey-Ferguson and Chrysler. Can he assure us that Co-op Implements of Winnipeg will be receiving the $14 million it requires to survive?

Mr. Gray: Mr. Speaker, the Minister of Agriculture (Mr. Whelan) and I have been actively working on a program aimed at responding to the difficulties and opportunities of Co-op Implements. The company would not be there now without the assistance already extended by the federal government.

We are working to see what practical program we can put forward to add to what we have already done to help ensure the continuation of this company.

Mr. Howard Crosby (Halifax West): Mr. Speaker, from time to time in the history of this nation serious problems have arisen that have captured the attention of the Canadian public for various time periods. National defence, largely ignored today, has occupied the centre stage, but only in times of international strife. For months this Parliament has floundered on the constitutional debate. Let us hope that parliamentary

action will not create more problems than it resolves with the proposal for constitutional change.

The problem that has plagued Canada and Canadians for almost all of our history is unemployment. In fact, only in the war and post-war years has this nation enjoyed relatively full employment. What do we mean by full employment? I want to put on the record of the House the view that was expressed by the parliamentary task force in its report entitled "Work for Tomorrow". It dealt with full employment in that concept, asking if Canada would commit itself to a goal of full employment.

That parliamentary task force, which consisted of members of the House of Commons from both the government and the opposition side, reminded Canadians in its report that in 1945 in a white paper on unemployment, this statement was made:

> The government has stated unequivocally its adoption of a high and stable level of employment and income, and thereby higher standards of living, as a major aim of government policy.

In 1945 the Liberal government said that its major aim was the achievement of full employment. In the time that has transpired since, we are still faced in this country with massive and chronic unemployment. It is very difficult to take the government and its ministers seriously when they indicate in the House and elsewhere that they are committed to programs to establish full employment in Canada. That same task force on employment in Canada said in its report:

> It is ironic that 15 years after the creation of the Department of Manpower and Immigration and despite some of its successful programs, the manpower problems it was created to solve still exist. There are still shortages of skilled manpower, and the level of unemployment is now much higher than it was in the mid-sixties.

That is what a parliamentary task force said of the efforts of the then minister of manpower and immigration and his department to resolve unemployment in Canada. This criticism is valuable because it comes from friends of the government as well as opponents. We are still left with the problem, in spite of the shallow words of the Minister of Employment and Immigration (Mr. Axworthy), of massive unemployment in this country.

This very day representatives of the Canadian Labour Congress are meeting in Ottawa. They have gathered together some 20 persons who are victims of the high interest rate policy of the government which, in turn, is contributing to unemployment in this country. Those persons are faced with foreclosure actions on their homes. After years of spending on mortgage and interest payments, they are faced with the loss of their homes. It is in that context and at that point in our history that we have to consider some of these very serious economic problems, of which the ultimate one for a Canadian is unemployment.

The Minister of Industry, Trade and Commerce (Mr. Gray) referred to the Speech from the Throne which was delivered in the House on April 14, 1980. He indicated what were the government's policies to cure the economic ills of this country. He did it in very definite terms. What the minister forgot to mention was that in that same Speech from the Throne delivered on April 14, 1980, there was this promise:

> In particular, my government recognizes the need to protect those Canadians most affected by unacceptably high interest rates. My government will act to assist those unable to bear the burden of renegotiating their home mortgages in the present abnormal situation so that the spectre of foreclosure will be avoided.

That is the hollow promise made in the Speech from the Throne. That is the promise the members of the Canadian Labour Congress and those home owners in danger of losing their homes want the government to face almost two years later. There is yet no substantial assistance for home owners other than the approximately 12,500 across Canada who meet the very strict requirement of the government test for eligibility.

An hon. Member: It is consistent.

Mr. Crosby: It is not consistent with that promise. In the same way, the utterances of the Minister of Industry, Trade and Commerce with respect to the economic proposals and programs of the government are as hollow as were the promises of assistance to home owners.

Any parliamentary consideration of job-creation measures must be given full and careful attention by all hon. members. Yet job-creation measures that are not an integrated part of an over-all industrial strategy that has full employment as its aim and purpose will be almost meaningless and, in fact, will be just another form of social welfare measure.

Let me make it clear that the current urgent state of the nation's economy justifies social welfare measures for unemployed Canadians. I support make-work programs for that very reason. What we must, however, consider and develop is an industrial plan and strategy that will result in the permanent employment of our labour force.

I want to review in some detail the whole matter of job creation, but first it is necessary to consider and review the current employment situation. I want to make that review in the context of the Atlantic area of Canada.

Mention of the Atlantic area prompts me to inform the House that when it comes to unemployment, Atlantic Canada tops the list. Here are some of the statistics. Newfoundland has an unemployment rate of 15.2 per cent, New Brunswick 11.3 per cent, Nova Scotia 10.2 per cent and Prince Edward Island 9.9 per cent. That compares with a Canadian average that is much lower than that figure. There are 37,000 people unemployed in the Province of Nova Scotia as of October; Newfoundland has 33,000 people unemployed; Prince Edward Island, 5,000; New Brunswick, 34,000. We simply cannot carry on with that level of unemployment in the Atlantic area and with that number of persons unemployed and beset with all the social and other problems that go with unemployment. It is even worse than that, as other hon. members have pointed out.

● (2050)

The method of acquiring the unemployment statistics in Canada does not take into account the thousands across this

nation and the thousands in Atlantic Canada who have stopped looking for work, who have given up the search for employment, and who stay at home or find other ways to eke out a living other than seeking employment through government channels. They are not included in this group of people.

If you were to conduct a fair examination, Mr. Speaker, you would find that the employment rate in a province like Newfoundland is not really 15.2 per cent, it is more like 20 per cent. Similar figures can be extended for the provinces of New Brunswick, Nova Scotia and Prince Edward Island. While the statistics may be valid in a comparative and continuing sense, they are not valid as an indicator of how many people are actually out of work and suffering from lack of employment.

Even with the horrifying statistics that we have of 891,000 people unemployed across Canada, 109,000 of them being in the Atlantic area, it is even worse than that, Mr. Speaker. What will we do about this situation? It is in that context of the serious unemployment situation that we must approach the subject of job creation.

What action has Parliament taken? Last Thursday, November 12, the Minister of Finance (Mr. MacEachen) introduced his budget to the House. The minister claims that there are positive steps taken in the budget to relieve the unemployment situation. In response to questions, the minister said that the government is mounting employment programs through the community employment program and other programs and that the government will spend as much as $500 million on those programs. The Minister of Industry, Trade and Commerce continually indicates to the House that the government will launch programs of a similar magnitude. One has to place that $500 million in line with other government expenditures. I will name you some of them.

The Government of Canada has spent at least that amount of money on Mirabel airport, and it continues to chalk up deficits at the rate of an additional $50 million each year. The Canadian Post Office in past years has accrued deficits of $500 million. The St. Lawrence Seaway wrote off a debt of $600 million. The Government of Canada has spent over $140 million relocating those groups of unfortunate people, who are generally described as the boat people, across Canada. That is the way in which the Government of Canada spends money. It spends hundreds of millions of dollars.

When the government said it would allocate $500 million for job creation in employment programs to relieve the drastic unemployment that exists in Canada, it is really accomplishing very little in comparison with its other expenditures. I am not impressed with the government's efforts.

We need positive action; we need to address the real problem of unemployment. What do we receive? We receive general statements from the Minister of Finance, as stated in the Speech from the Throne and repeated in the House by people such as the Minister of Employment and Immigration. The statements are of such a general nature as to be totally meaningless to the nearly one million Canadians unemployed, statements such as "We have to work to bring the interest rate down so as to generate industrial activity and relieve unemployment in Canada". The task is much more concise and cogent than that. We must have definite programs that attack the problem, not only to relieve the immediate situation but to expand beyond that and create solutions of a more permanent nature.

The Minister of Industry, Trade and Commerce has referred, for example, to the difficulties in the auto industry. The unemployment problems in the auto industry have much to do with the auto pact that was negotiated between Canada and the United States. The terms of the auto pact did not take into account the changes in customer preferences, namely, the move to small cars because of the increased cost of energy. Why have the costs of energy increased? Because the government did not have the foresight to recognize the problems that have now arisen and, in the same way, the government did not have the foresight to recognize the types of problems that would beset the auto industry as time went by.

The government cannot simply and categorically characterize the problems of the auto industry as a problem that has to be resolved by the private sector, because the government is very much responsible for making that a problem in today's context by the kind of negotiations that it carried out. Anyone who is knowledgeable of the problems raised by the auto pact will tell you that it will be years before Canada again receives the benefits that were intended to be bestowed by the auto pact. In the meantime, we have and will have substantial unemployment in the automobile industry.

On the surface the issue may not appear to be relevant to the situation in the Atlantic area where we have other reasons for our unemployment problem, but one has to look at these problems in the national context. Indeed, the government has recognized that by stressing the importance of mobility of the Canadian labour force and stressing the issue to the point where it has been included in the constitutional proposal. The government has underlined and entrenched the rights of Canadians to travel across this country to seek and obtain employment.

When the maritime provinces become concerned about job losses in the fishing industry and in other maritime industries, we want to know that jobs will be available in other parts of Canada. We are affected by the difficulties in the auto industry. We have to realize and recognize that the unemployment problem affects all Canadians not only in that they are unable to earn income but also it affects them in social terms. It is destructive to family life. It is impossible for many people accustomed to employment and to earning an income for them to carry on a normal life without the benefit of that employment.

It is one of the most serious problems that we can have in Canada, and it is a problem that goes beyond the difficulties that are created by constitutional changes and beyond the difficulties that are created by other measures in which this government is involved. It is a problem that demands immediate attention and immediate action.

What will we do about the problem in the future? The answer is to establish job-creation programs that will relieve

the problem for the present and resolve it for the future. There are a number of things the government can do. Some of them have already been described.

While I do not want to be negative about government efforts to provide jobs for Canadians, I do want to emphasize the fact that the government simply is not doing enough, and what it is doing is not effective.

First, there is a great deal of uncertainty about what amount of money and effort the government spends on job-creation activity. The budget document would have one believe that the expenditure on projects such as Canada Community Development is in the area of $500 million. However, the documents issued by the Minister of Employment and Immigration indicate that the sum is much smaller. I have a letter from the minister that says that $113 million will be spent on the Canada community development project and then the whole program was cancelled, Mr. Speaker.

We are not always impressed with the figures released by the minister, the person now responsible for the finances of Canada, the hon. member for Cape Breton Highlands-Canso. We also heard from the hon. member for Cape Breton-East Richmond (Mr. Dingwall) who lauded his government's efforts. In Cape Breton there is an expression to the effect that some people tell the truth rather carelessly, Mr. Speaker. The hon. member for Cape Breton-East Richmond when he lauded the government for its efforts to cure unemployment, told the truth rather carelessly. He referred to the efforts made in the Cape Breton coal mines and the expenditure there of $100 million to create hundreds of jobs. The government has announced that program on three or four occasions, Mr. Speaker. It is similar to the situation with the Panamax Dry Dock to be installed in the shipyards in Halifax. That announcement has been made on two or three occasions. I could go on and on with the announcements, the pre-announcements—

• (2100)

Mr. Dingwall: Mr. Speaker, a point of order. Would the hon. member entertain a question at this time?

Mr. Crosby: I will be glad to entertain a question at the conclusion of my address, Mr. Speaker. As you know, and as the hon. member for Cape Breton-East Richmond knows, my time is limited.

An hon. Member: When are you going to start?

Mr. Crosby: With your permission, I will continue, Mr. Speaker. I believe that job creation in the Atlantic area has to centre on ocean related industries. Those industries in particular are fishing, energy development offshore, marine transportation, which consists of onshore facilities and shipbuilding and, of course, there has to be a general concern for the development of resources. In the fishing industry, last August two companies—

The Acting Speaker (Mr. Ethier): Order, please. I regret to interrupt the hon. member but his allotted time has expired. The hon. Parliamentary Secretary to the Minister of Fisheries and Oceans (Mr. Tobin).

Mr. Brian Tobin (Parliamentary Secretary to Minister of Fisheries and Oceans): Mr. Speaker, I am prepared to yield to my colleague if the hon. member for Halifax West (Mr. Crosby) is prepared to answer a question.

The Acting Speaker (Mr. Ethier): The hon. member for Halifax West.

Mr. Crosby: Thank you, Mr. Speaker. Just to conclude my remarks let me say, as I already have, that the—

Mr. Tobin: Mr. Speaker, I will continue with my address.

The Acting Speaker (Mr. Ethier): Order, please. I thought the hon. member was seeking the floor on a point of order. The hon. parliamentary secretary.

Mr. Tobin: Mr. Speaker, I am going to speak instead. I yielded some time to my colleague to answer a question, but the hon. member for Halifax West just wanted to continue with his speech.

Mr. Crosby: Mr. Speaker, there seems to be confusion on the government side. It was—

The Acting Speaker (Mr. Ethier): Order, please. The Parliamentary Secretary to the Minister of Fisheries and Oceans.

Mr. Tobin: Mr. Speaker, that point of order made about as much sense as everything else the hon. member said in the last 15 minutes, which was not a lot. The only thing that the hon. member for Halifax West and the NDP have in common is that they are both very good at telling us that the solution to the problem in the short term is to create jobs. Despite 40 minutes of careful listening to the comments of a member from each party opposite, I did not hear one sensible, serious solution offered to the House. They have none. They are bankrupt of ideas.

I want to address myself first of all to the remarks of the hon. member for Halifax West. He told us today that he supported job-creation measures; that this was a good idea and there should be more of it. This is the party which for a few short months, Mr. Speaker, managed to cancel the CCDP, which he now supports; slashed the small craft harbour's budget—and he comes from Atlantic Canada—which he now supports; allowed freezer trawlers in the Gulf of St. Lawrence thus pushing the labour intensive inshore fishermen out of the water, whom he now supports; cancelled the summer youth program which gave jobs to college students so that they could go back to university in the fall, which he now supports—I could go on and on Mr. Speaker.

The hon. member for Halifax West says that he is not impressed with this government's efforts to create jobs. I want to say categorically that I am not impressed with his sudden conversion and support of the policies of the government, the policies that we restored upon returning to government in

February, 1980, all of which had been slashed by his administration.

I represent the riding in Newfoundland of Humber-Port au Port-St. Barbe and I am proud to represent that riding. I am proud of the people and the province that I come from. I say with my head high and my chest out that in Newfoundland we have experienced, perhaps more than most Canadians, many of the hardships and social disruptions that result every time that an economy, whether it be on a national, international or western world basis, is shaken. I know the effects of high unemployment and I know the effects of an economy that is not stable.

I wanted to say in my first words tonight that I was totally amazed, astonished, perhaps even saddened, that the party in the corner which my colleague calls the pink rump, continues to find great joy—perhaps even pleasure, judging by the smiling faces that are now exhibited—whenever Canadians feel the effects of high unemployment or a disrupted economy.

Why do they find pleasure in that, Mr. Speaker? It is because that is the party which has continued to assume that Canadian people are stupid. Government has a responsibility which is not to be taken lightly. That is the party that is convinced that the way to be elected is to hold out the proverbial carrot to the Canadian people. That is the party that spends its time trying to figure out what it thinks Canadians want to hear instead of using its energies and intelligence, little as it is, to find solutions to complex and real problems.

An hon. Member: The Liberals have done a great job for Newfoundland over the last few years.

Mr. Tobin: Yes, we have done a great job for Newfoundland and Newfoundlanders have recognized it. The only NDP member we had—good man that he is, good friend that he is—has gone back to practice his original profession and I am proud to say that I had a little something to do with that!

My blood boils, Mr. Speaker. I have been here nearly two years as a Member of Parliament and I spent a couple of years as an executive assistant in Newfoundland, so I have learned just a little—and I have a lot more to learn—about the political process. One thing that I have learned is that people in this country are tired—

An hon. Member: Of Liberals.

Mr. Tobin: —of pipedreams. They are tired of politicians who are prepared to raise unrealistic expectations if there is a chance of political benefit. They are tired of that brand of simplistic solution.

The other night I had the irritation, I suppose, of watching the finance critic for the NDP speak on CBC on the program "This Week in Parliament". I sat and listened, and it was just like today. I think it lasted ten minutes. The hon. member spent ten minutes telling me, as an interested Canadian, "There is another way, ladies and gentlemen. We can all be living on the edge of a bowl of cherries. There is no problem. We have the solutions." My goodness, he had me captivated! I was almost ready—but God forbid I should even admit it—to run across to that side of the House. I was excited. However, before I knew what was happening, the program was finished, and the last words I heard echoing against the walls were, "Was there another way?" I never heard it. What is the other way? For God's sake, tell us! It is the party of empty rhetoric.

• (2110)

Let me tell hon. members about the ways this government has provided jobs. Let met tell hon. members to listen and learn. In my own province of Newfoundland this year, we had a very bad fishery. No doubt, hon. members opposite would tell us that the government members were out chasing away the fish.

An hon. Member: There you go!

Mr. Tobin: The people of Canada are intelligent enough, hon. members might be surprised to know, that they can recognize there could be a bad fishery from time to time. How did this government respond? Representatives of the fisheries union of Newfoundland—

An hon. Member: Hear, hear!

Mr. Tobin: —the cabinet representative from Newfoundland—

An hon. Member: Hear, hear!

Mr. Tobin: —and Members of Parliament from Newfoundland and interested fishermen from Newfoundland gathered in Ottawa. There was no program to offer in immediate response. There was none on the books. However, the Minister of Employment and Immigration (Mr. Axworthy), the Minister of Fisheries and Oceans (Mr. LeBlanc), the Minister of National Revenue (Mr. Rompkey) and the president of the fishermen's union in Newfoundland gathered together. We designed a program with $1 million in funds, and we put thousands of fishermen back to work. We helped them get their UIC benefits. That is not empty rhetoric; that is action.

Let me tell hon. members about the program which the party of the hon. member for Halifax West cancelled a short while after it formed the government. The Canada community development program is a highly targetable, cash-based program directed toward the creation of jobs in areas where high unemployment, slow economic growth and low levels of business activity are continuing problems. We have examples throughout Atlantic Canada, including my own province, of that kind of situation.

Last year, in 1981, $110 million which would have otherwise been cancelled by the Conservative party, was allocated to these programs. In this country, it created 20,000 jobs. This year that program, beginning now, has more than 8,000 applications, and the jobs this year will exceed, if not equal, those created by last year's program.

I suppose that when one talks in numbers, considering the amount of money and jobs, it is sometimes very difficult for

one to stop and reflect and to put a human face, a flesh and blood and bones face, on the response that a program generates. The hon. member continues to laugh. Every time I say "flesh and bones" or talk about the problems people are experiencing, this hon. member laughs.

An hon. Member: NDP!

Mr. Tobin: He smiles with pleasure. He says, "Ah, there is a potential to go out, make a promise and pass out the carrot. They are stupid enough to believe me. Perhaps I will get a vote or two". He is a foolish man. People are not that stupid.

Let me tell Your Honour about the kind of programs we have initiated. In my own riding, in the northern peninsula of Newfoundland, there have been three or four major, small craft harvest projects. What happened? My own minister, the Minister of Fisheries and Oceans, and the Minister for Employment and Immigration collaborated. The Minister for Employment and Immigration put up the labour dollars; the Minister for Fisheries and Oceans put up the material dollars. They built wharves perhaps costing $150,000 which would have cost at least $300,000 or $400,000 had they been contracted out. That is why the Conservative party wanted to cancel the program. It meant that one or two more of their friends would have had a contract.

An hon. Member: What have they been doing for the last 20 years?

Mr. Tobin: Those programs helped people who had a disastrous fishery. They will again survive the winter this year with dignity, with paycheques coming in with their names on them instead of social assistance. I want to tell hon. members that these are proud people.

I do not care where one goes in Canada. One could go anywhere in rural Canada. I can speak best about Atlantic Canada, whether Cape Breton, New Brunswick, Nova Scotia or Newfoundland. Is that not what life is about? Is it not dignity? The government has given dignity back to those people, the dignity which was taken away by the previous, short-lived Conservative administration.

Some hon. Members: Hear, hear!

Mr. Tobin: The areas of activity under Canada Works, Canada community development programs, generally correspond closely with the priorities of federal departments. In some cases, this enables other federal departments to encourage community organizations to submit quality proposals and subsequently to provide technical advice and support to these organizations.

Let me give hon. members another example. A few days ago in my riding in the town of Stephenville, a group of people called me up and said, "Look, we are coming tomorrow. We want to meet this minister, that minister and the other guy. We have a proposal which we think can work." These are serious, sober and intelligent people. They said, "We have a proposal which we think can work and can put handicapped people to work. It will allow them the dignity of jobs, perhaps for the first time in many years". Those people came on 24 hours notice.

I am proud to say that the Minister of Employment and Immigration met with those people on 24 hours notice and the Secretary of State (Mr. Regan) met those people on 24 hours notice. They left Ottawa with a program which will put some people to work in that town, people who, perhaps for years, have never had such an opportunity. These people have been lost and hidden. We have forgotten the handicapped too often in this country. They will now have an opportunity to have the dignity which comes with work. These are the kinds of people to whom these programs can reach out and respond, and these people will have an opportunity to respond as well.

Throughout the Atlantic and Pacific regions of Canada, approximately half a million dollars of CCDP funds have been devoted to the development of the salmon fishery to ensure that this fishery is enhanced, stocks are conserved and maintained and encouraged to grow.

More than $8 million of CCDP funds have been committed during the past year to projects involving tourism developments in many parts of Canada. Another $26.8 million was committed to projects which restore or develop facilities in communities.

I would like to say again, because many hon. members do not realize this, that I know of examples in all parts of Canada, and I can think of a couple in my own riding, where people in communities which are perhaps as old as 150, 160 or 200 years, aided by this program, perhaps for the first time in their lives, went out with picks and shovels, the sweat of their brows and determination to put in a water line. Perhaps every person in the House takes running water for granted. One turns on the tap, and it is there. That is the kind of—yes, almost the kind of miracle which can happen when people are allowed to help themselves. This is what can happen when one does not tell them, "We can come in with a multimillion dollar contract in any part of Canada for any construction company and give you water", and when one does not offer the unrealistic expectations of the NDP, when one says to people, "If you are willing to help yourselves, we will help you", and they do. These are quality programs. Perhaps it is even a miracle to have running water in communities which have not had it in years. I am proud to see that happen. That is the responsibility of provincial governments. In Newfoundland, it is that of the Tory provincial government. However, if these federal programs were not available, there would still not be even the basic necessity of running water.

Because I know my time is about to run out let me conclude by saying, that not one hon. member on this side of the House, not one member of this government, wants to play games. We are not interested in illusions. We recognize that today many Canadians in this country are experiencing difficulty. We must recognize that. It is a fact. However, we are determined to carry out our duty in those circumstances with a sense of responsibility. We are not prepared to be the masters of illusion or the prophets of doom and gloom. We are not

prepared, as the Conservative government would have us do, to balance the books on the backs of the people of this country who can least afford it.

Mr. Jelinek: That's what you are doing.

Mr. Tobin: We have had a budget of restraint because we recognize the reality.

Mr. Jelinek: Twenty-two per cent interest.

Mr. Tobin: We have had a budget of equity which, for once, asked Canadians of every income level to pay their fair share and no more, a budget which will result in millions of taxpayers in this country getting a tax break.

• (2120)

I want to say of the motion put forward by the New Democratic Party, it is NDP, no definite policies. Sterling Lyon called it something else. I will not go that far, but I will say at least NDP, no definite policies. They change from day to day.

An hon. Member: You are showing your colours now.

Mr. Tobin: I want to assure the hon. member, in case there was ever any doubt in his mind, that I am no supporter of Sterling Lyon. And in case you have any further doubts, I am no support of yours either.

The motion put forward is a nefarious and a nonsensical one. It is one to be expected. At least it is consistent. But we in this party will continue to govern, and I suppose the key words are, with responsibility.

Mr. Chris Speyer (Cambridge): Mr. Speaker, I shall resist the temptation to comment on the address made by the hon. member for Humber-Port au Port-St. Barbe (Mr. Tobin). If he believes he is living in an economy which is healthy and helped by this budget, I can tell him he is living in the land of Oz.

This particular motion before the House has been well drafted. It is something which concerns me since I have become an elected member as it has never before. I want to explain this to the hon. member who never contributes, who is sitting in the back and who always makes his contributions from his seat. I ask him to rise in the House and to put his views forward.

The Acting Speaker (Mr. Ethier): Order, please. I see the hon. member for Cape Breton-East Richmond (Mr. Dingwall) rising on a point of order.

Mr. Dingwall: Mr. Speaker, this shows the incompetence and total lack of responsibility on the part of the hon. member.

The Acting Speaker (Mr. Ethier): Order, please.

Mr. Dingwall: I made my speech earlier today.

Mr. Tobin: He was at the back watching cartoons.

Job Creation

The Acting Speaker (Mr. Ethier): Order, please. The hon. member for Cambridge (Mr. Speyer) has the floor.

Mr. Speyer: Mr. Speaker, I would like to tell members of the House what has happened in Cambridge over the last few weeks. First, 425 people have been laid off by Admiral. Those lay-offs affect approximately 1500 people. Many of them have been to my riding office. I have been to the plant. The concern and the tragedy of those people gives one a sense of desperation. In addition to that, 15 miles down the road where Massey-Ferguson is located in the city of Brantford, 1700 people have been laid off. Many of them live in Cambridge. At Budd Automotive, a plant which is close to the boundary of Cambridge, although it is actually located in the city of Kitchener, lay-offs have occurred. At the Savage shoe factory, lay-offs have occurred. I know that the Minister of Industry, Trade and Commerce (Mr. Gray) will be coming to this House before the end of the month to make an announcement with respect to the extension of tariffs. If the tariffs are not extended, I can tell hon. members there will be massive lay-offs in the shoe industry in Cambridge. We are looking at a desperate situation.

I had hoped this budget would give some relief to people and a justification for their belief that they have a right to work. We were looking for jobs. But there is nothing in the budget to encourage this party to believe that the budget would help with jobs.

I have a few comments of criticism respecting this budget. We know that Mr. John Bulloch, president of the Canadian Federation of Independent Business, represents 62,000 men and women in Canada. Yesterday he gave what I think is the most withering criticism as it affects small business. This is what the news release said:

> The Canadian Federation of Independent Business has declared war on the MacEachen budget, calling it the most serious threat to enterprise in Canada since Edgar Benson's White Paper on Tax Reform in 1969.

In addition to that, Mr. Bulloch accused the Department of Finance officials of demonstrating a shocking lack of practical knowledge of the business community and an unconscionable ignorance of the functioning of capital markets.

The tide is just starting to come in in terms of adverse criticism with respect to this budget. Mr. Bulloch has gone to war once before with respect to this matter. I ask all Canadians and I ask all members of the House to go to war against this insidious document.

Some hon. Members: Hear, hear!

Mr. Speyer: It is not enough to speak in bald generalities. It is important to be specific. I would like to talk about five different areas as they affect small business, and I am happy to see that the minister is in the House to hear my comments.

The Small Business Development Bond has been truly gutted. The whole purpose of the bond is in its name. It is for development and for expansion. But that is no longer the case. The Small Business Development Bond is now a misnomer. It

is nothing more than a bail-out provision. We know that a moratorium has been put on those bonds by the Royal Bank of Canada and by the Bank of Nova Scotia. I am concerned that it is the banks' belief that they are dealing with failures or cases of insolvency. They are not dealing with cases of expansion of business and the creation of jobs. Although I welcome the extension of this bond to unincorporated businesses and farmers, in circumstances where healthy businesses cannot expand this bond will have no impact. Healthy business which expand have the jobs. I think the bond itself has lost its effectiveness. That belief is fortified when I look at the figures in the budget papers. It says the contribution of the federal government with respect to the bond will amount to only $20 million. Last year the federal government contributed $200 million. Projections are there for the next three years.

Let me move on to the capital cost allowance. I asked the minister yesterday why there was such a massive tax grab. He said from his place in the House of Commons that the federal government would not be receiving one cent. Not one dime. That was in *Hansard* for yesterday.

Mr. Evans: That is not true and you know it.

Mr. Speyer: I refer the parliamentary secretary to page 4 of the budget papers. In 1981-1982 the federal government will derive $110 million, but in fiscal 1982-1983 the federal government will derive $1.1 billion and in fiscal 1983-1984 the federal government will derive $840 million. This totals more than $2 billon for those three years. That is a massive tax grab. It is a transfer from the private to the public sector.

I contrast that with a budget brought in on May 8, 1972, by the Hon. John Turner. Unfortunately yesterday's incentive has become today's loophole. I shall put on the record what Mr. Turner said at that time, as reported in *Hansard* at page 1988. He stated:

> Mr. Speaker, my first words to this House as Minister of Finance last February were that my most urgent priority was jobs. This remains my first priority. No economy is working as well as it should if there are men and women in this country seeking work who cannot find it. The search for jobs is a human problem. The main thrust of this budget is to deal with this problem; to buttress the Canadian economy—to provide incentives for Canadian industry to grow and compete and provide jobs.

Then what did he do? He introduced a capital cost allowance provision for manufacturers. He pointed out that one out of every five people employed is employed by the manufacturing industry. That is still the case today. He gave the speedy write-off provisions. Mr. Turner did this for two reasons. First, to improve cash flow, and second because equipment was becoming obsolescent. He wanted equipment replaced so that Canada could move into using new technology which he foresaw at that time. But all of that has been gutted by the provisions in this budget.

Mr. Evans: That is nonsense.

Mr. Speyer: It is not nonsense. I tell the hon. member to read what the business community is saying. I ask him to check with the manufacturers' association.

Mr. Evans: It is still faster depreciation than in the United States.

Mr. Speyer: The next matter with which I want to deal has to do with the insurance industry. I had the opportunity of speaking to the president of Dominion Life in Kitchener.

Mr. Scott: Tell the hon. member for Kitchener (Mr. Lang).

Mr. Speyer: I have also spoken to the chief accountant for Mutual Life who is an actuary. There are 60,000 people who are employed in the insurance industry. Thousands of them are employed in the Kitchener-Waterloo-Cambridge area. This is a very legitimate concern of these people, as expressed in the House of Commons today by the hon. member for Kitchener (Mr. Lang). That Liberal member said their jobs were in peril.

● (2130)

In addition to that, what is of great concern is the drying up of long-term capital which insurance companies have always provided, whether the money was to be used for building a dam or a factory. This represented 30-year capital rather than short-term capital. I wonder if the Minister of Finance (Mr. MacEachen) even considered these matters when he introduced that measure in respect of policy holders, and I have in mind the reporting and three-year provisions. These measures will have a very, very deleterious effect, and I think the Minister of Finance should reconsider them as he has reconsidered other provisions.

A most important matter, it seems to me, is the limitation on the deduction of interest from investment. Nothing is more insidious. Imagine going to the bank for a loan that had anything to do with speculative shares, such as any type of junior mining stock. One is only able to deduct an amount up to the amount of income. I think this certainly breaches all precepts of tax law I have ever been aware of, and I believe it is totally unjustified. As Canadian independent business people have said, this will have an incredible effect on investment. All you have to do is to read the news release from Mr. Bulloch yesterday in respect of that matter.

An hon. Member: Did you read the news release today from CMA? It said it was a good budget.

Mr. Speyer: Yes, I have read the news release. The hon. member will have an opportunity to speak.

An hon. Member: Have you read the news release from the Chamber of Commerce of Montreal?

Mr. Speyer: Yes, I have.

An hon. Member: Have you read the news release of the Chamber of Commerce of Canada?

The Acting Speaker (Mr. Ethier): Order, please.

Mr. Speyer: Mr. Speaker, the total effect of this budget on jobs cannot be underestimated. I congratulate the hon. member for Hamilton Mountain (Mr. Deans) on the drafting

of this motion. I think it is timely and I think what it says is accurate. I would ask the people of Canada to mobilize and defeat this budget.

[*Translation*]

Mr. Michel Veillette (Champlain): Mr. Speaker, it seems the opposition is trying to give the House a very slanted view of the employment situation in Canada. Quoting figures on lay-offs is all very well, but when such figures include both temporary and permanent lay-offs, there is a definite bias somewhere. I am not saying that lay-offs should not be taken seriously, but let's stick to the facts.

The opposition has also claimed, Mr. Speaker, that there are no job-creation programs to compensate for recent lay-offs. Has the opposition looked into all the programs available at the present time? I realize some of these programs are relatively recent. The Canada Community Services Projects—CCSP—launched about a year ago, offer the unemployed satisfying work in the area of volunteer and community services. The program is more specifically aimed at women, native people, youth and the handicapped, in other words, those who have trouble finding new jobs. In fact, during the program's first year, 70 per cent of participants were women, 50 per cent young people, 10 per cent native people and 10 per cent were physically handicapped.

The program provides projects with start-up funds to help them find other funding sources and to become self-financing. Program funds are used to pay salaries and other general expenses as required. The CCSP budget of $11 million for 1980-81 is part of the $34 million approved by cabinet for the three years the program is intended to last. During the program's first year, there were many applications for CCSP grants. People like this program because it goes to the heart of the community and supports projects that are important to our social environment. These projects range from rehabilitation centres to daycare centres for children of working mothers. One might say, Mr. Speaker, that the program simultaneously supports two entirely different social objectives: it provides the unemployed, especially those who always have trouble finding employment, with an income and training, but it also provides the necessary funds for useful and fundamentally important projects, in order to improve the quality of life of the entire community. This is important, Mr. Speaker, because many Canadians feel that the federal government is an agency that is far removed from, and not very interested in, people's daily life. This is not true, and the proof is in programs such as the CCSP. When I hear people talking about daycare centres, I notice that they never mention the federal government's involvement.

For instance, in downtown Charlottetown on Prince Edward Island, the Rochford Square Child Care Centre offers services that are not available anywhere else at the present time. The centre is adapted to the requirements of people who work on shifts, since it opens at 6.30 a.m. Furthermore, parents can have lunch with their children, and children whose parents have to work late can have their dinner at the centre. The centre has a schedule and program that meet the needs of babies, young children and their working parents, while the emphasis is on single-parent families and families on welfare. It is expected that at the end of the three-year funding period, the centre will be self-sufficient and will be able to take care of 30 children. These are important projects, Mr. Speaker, in a society where more and more women are joining the labour force. During the eighties, their participation in the labour force will be substantial, and the need for this type of centre will increase accordingly. A total of 30 projects representing $721,000 have been financed under the CCSP with a view to supporting activities related to the provision of daycare services.

Mr. Speaker, the fact that this year has been designated as the International Year of the Handicapped has made the public aware of the problems facing the handicapped. These problems are encountered at home, at work and in the community. In Saskatoon, a project called "Very Much a Part of the Picture" is at work to help the mentally retarded. This project aims at creating a pool of young volunteers to work with these people and prepare them to face life productively and positively. These people have to develop abilities which we all take for granted and which are necessary to live in society. The young people who take part in this project as teachers or counsellors will learn the art of public education. They will also acquire knowledge in the fields of organization and management.

The handicapped are not the only ones on whom attention has been focused these last few months. In our aging society, we are becoming increasingly aware of the role played by senior citizens in Canada. I have heard the French expression *les gens de l'âge d'or* several times recently. For my part, Mr. Speaker, I do not like this expression. It creates a false impression of wealth. I prefer the expression *personnes du troisième âge*. The English expression "senior citizens" is also wrong. It is as though the world belonged only to junior citizens. Unfortunately, it happens too often that older people are cast aside and left by themselves. Today, older people are active citizens who are interested in their community and willing to share their knowledge and experience.

With the help of the CCSP, the YM-YWCA in Moose Jaw, Saskatchewan, has developed a number of programs for older people and will make good use of their experience by hiring them once the programs are in place. Programs including swimming, fitness, information on nutrition and the prevention of crimes of which the older people are victims will be integrated in regular activities. If possible, classes will be held in old folk homes, in centres for religious groups and other organizations and led by volunteers. To this end, the workers of the CCSP will also recruit and train volunteers.

The YM-YWCA will organize a phone-a-friend service for older people living alone to give them social contact with the

community and help those who are confined at home. The sound of a friendly voice on the telephone every day and the assurance that they have a friend to call in case of need is very reassuring for the older members of every community. During the first year of the project, the CCSP will provide $11,814 to employ one person full time. Since the planned activities are designed to produce revenues, the YM-YWCA expects to keep the project employee on a permanent basis. In total, 33 projects amounting to $723,000 have been financed under the CCSP to support services for older people.

Mr. Speaker, at the beginning of my speech, I mentioned the need to specify whether we are speaking about temporary or permanent lay-offs. I maintain that this must be clarified because we have to look further than statistics.

Yes, it is important to obtain statistics on a sector of the economy, and figures are supposed to give a true picture of the situation, but the hard facts are, right now people are unemployed. This government has been innovative in its approach to job creation. It has become involved in the community through programs such as the Canada Community Services Projects, in order to serve Canadians in their own communities. When I hear the opposition accuse the government of lacking initiative, I realize how important it is to talk about what we are doing. What is more significant yet is the fact that although columns of figures may be useful, the people represented by these figures and their real situation in life are at least equally important. I feel, Mr. Speaker, that the Canada Community Services Projects are doing excellent work by going beyond the statistics.

● (2140)

[*English*]

Mr. Lyle S. Kristiansen (Kootenay West): Mr. Speaker, in the few minutes left to me this evening I would like to begin by replying to some of the earlier comments made by the Minister of Employment and Immigration (Mr. Axworthy) who spoke this afternoon. The minister was obviously in some anguish and very hurt that we in this corner of the House had not yet come forward to say "thank you" to the government for closing some of the loopholes in our taxation system, an action of which that minister was obviously proud.

Quite frankly, some of us may have wanted to say thank you but the government has been pulling the plug out of those loopholes so quickly, two of them in four days, that there was no time to say thank you. We are beginning to be thankful that this budget debate can only go on for six days or so because if it went on any longer, the government might manage to pull the plugs out of all of the loopholes and we would be left with that unholy mess of a taxation system with all its inequities, with which we have had to suffer for many years. It is still full of inequities and it appears that the government is determined to reintroduce some of those inequities which they attempted to remove a few days ago.

As I said, if we had time to say thank you, we might have said it, but we do not know if there will be anything left to be thankful for. Certainly there are hundreds of thousands of Canadians out of work, many as a result of permanent shutdowns, particularly in my industry, the forest industry, who have nothing to be thankful to the government for.

In a recent newspaper column in my constituency of Kootenay West, there is an article in the *Kootenay Reporter* called "Rest in Peace, Hadikin Lumber 1952-1981". This article does give a picture of what is happening and reflects not only on their interest rate policy and market problems but also on the devastating situation we are facing in this country because government and industry have not done a job to ensure there will be enough trees to cut to provide even continued production on past bases, let alone meet the hoped for expansion in that industry which could take place and provide additional jobs in the years to come.

The article starts off:

> Some people came in cars, pickups, chartered buses and even chartered flights to witness and take part in one of the most unusual auctions to be held in the Kootenays.
>
> An entire sawmill was up for bids.

This was October, 1981.

> The new owners of Hadikin's sawmill in Brilliant had put the entire contents and buildings of the mill up for public auction.
>
> It attracted the curious and the serious. The serious were easily identified by their numbered bidding cards in hand and by the orange hats passed out to each registered bidder.
>
> There was an odd almost festive atmosphere on the mill site as throngs of people, sipping coffee and munching doughnuts milled about while the engines of various trucks, skidders and loaders roared around them. Potential bidders peered under hoods and manipulated the controls as they searched for the best buy.
>
> A few steps away from this commotion, the mill sat, strangely devoid of the lumber, sawdust, and clutter normally found in a sawmill. A few people, driven by curiosity or with an eye toward an investment, clambered up and down steps and ladders, around the trim saws, the edger, the debarker and over infeed tables whose chains a very short while ago carried a steady flow of lumber.
>
> Numbered yellow tags hung from chains, motors, saws, even shelving and the building itself.
>
> It was hard to imagine the various integrated components of a functioning sawmill being reduced to a mere number on the auctioneer's list. It was even more difficult to comprehend the livelihood of some 75 former employees disappearing in such a piecemeal fashion.

That presents quite a picture, and I take no glee from it, in spite of the parsimonious ramblings of some of the hon. members opposite a few minutes ago. There is no glee for me in watching my neighbours, my constituents and my fellow workmates find themselves too old to work, too young to die and out at 58 after working 30 years in an operation along with many of their neighbours. Many of the people are Russian Doukhobors, and they will have a very difficult time—especially the older ones—attempting to obtain jobs anywhere because the illiteracy rate in that area is one of the highest in the country because of its ethnic make-up. The Minister of Employment and Immigration should pay some attention to this kind of thing because there is a job to be done within his department to ensure that we lift illiteracy levels, as one of my colleagues said just a few days ago in the House. That is another problem we have.

It is not just an individual problem like the problem Brother Tony Brown exemplified at our meeting this afternoon with representatives of people across the country who are having problems with interest rates. Tony works at Weldwood in its plywood division on Kent Street. He is a member of the Vancouver local of the IWA, and since August of this year that plant has been operating on a two week on-two week off basis. There is no sign of improvement for the remainder of this year and no sign into the new year.

Tony Brown has a $59,000 mortgage at 14.5 per cent. On December 16 he will have to renegotiate that mortgage. He has a wife and three young children and, in spite of what some people say in the House and outside the House, people who love to lecture other people on the sacrifices they should make, he did not go out and buy something beyond his means. His home is very modest. It is a row house condominium. It has three bedrooms, but he has three children. It is very modest accommodation. In the city of Vancouver it would have to be modest, with only a $59,000 mortgage and bought only a short time ago.

• (2150)

Like many others in the forest industry Tony has to renew his mortgage, and high mortgage rates have vastly reduced housing starts in North America and particularly in Canada. Tony Brown works in the plywood division. Eight-five per cent of plywood production from western Canada is sold in Canada, and the Canadian market is much worse even than the market in the United States, Reagan, his friends and his Trojan horse notwithstanding. Tony Brown's paycheque is reduced 50 per cent, and his mortgage payments are currently $732.88 per month. When he renegotiates his mortgage, as he will be doing in the next few weeks, he will be facing payments upwards of $1,200 a month.

Tony Brown faces this increase when he earns only a two-week on, two-week off paycheque. That surely is a crisis. Hon. members opposite do not like us to talk about a crisis. They seem to think we take some glee from it. There is no glee at all.

Mr. Kelly: You revel in it.

Mr. Kristiansen: There is no glee at all. This past summer I found myself the only member of my union in all of British Columbia who was able to pay his dues. Do hon. members think I got glee out of that? I did not. That is the situation we are in because of the crumbling housing market for which this government is in large part responsible. It is worse in this country than it is south of the border, again Mr. Reagan notwithstanding.

Hon. members opposite say we should give them some answers, but what are the answers they have given to people in the forest industry who are being laid off or faced with plant closures? One of their answers in the last few days has been to introduce Bill C-78, which contains the principle of unemployment sharing. The government wants to save money on unemployment insurance. Hon. members opposite want people who have been laid off to share their unemployment. That is certainly an advance to the rear, and there will not be many workers in my industry who will be thankful for it.

What have hon. members opposite done for those who are suffering because of plant closures? They have decided to plug a loophole and attack severance pay. People who have lost their livelihoods for good but have managed through their collective strength to negotiate some severance pay so that they will have something to tide them over, to get themselves re-educated or retrained or to grow old enough to get some pittance of a pension will have even that minimal amount of severance pay taxed. That is the kind of help they are getting. No, thank you very much; we can do without that kind of help. That is punishment, and surely to heaven these people are being taxed enough and punished enough already.

An hon. Member: Are they?

Mr. Kristiansen: An hon. member opposite asks, "Are they?" I can assure hon. members that they are. Over 11,000 forest industry employees in western Canada have already lost their livelihoods, as have over 8,000 spouses and over 18,000 children as a direct consequence of the interest rates which are part of the policy of the Bank of Canada, which gets its marching orders from this government and from the government to the south of us with which this government obviously shares an economic philosophy.

Mr. Keeper: And the one we defeated in Manitoba.

Mr. Kristiansen: And that one too, the "Sterling" government, in line with the sterling speech we heard from across the way a few moments ago.

Some of these people have lost their homes. Someone asked if these people are being taxed enough already. On a mortgage principal of $50,000—modest in light of B.C. housing prices—renewed on September 1, 1980, for one year, the increase alone in interest charges effective this past September absorbed $3.20 per hour of pre-tax earnings if the borrower is lucky enough to work full time. Every worker in this situation in Canada is being charged an average of $3.20 per hour to pay for the increased interest rates which have resulted from the policies of hon. members opposite. Negotiated wage increases are ranging from $1.25 to $1.90. This government has taken away an average of $3.20, and hon. members opposite have the unmitigated gall to suggest that if these people demand a little more, they will introduce some newfangled tax system to do to them what their wage controls in 1975 could not do.

Someone is benefiting from all this, and it surely is not us. It is not my friends to my right, and I do not think it is any of the individuals opposite. However, somebody is. The transfer in wealth as a result of the interest rate policy of this government works out to $10.6 billion a year from the poor to the relatively rich. Somebody is getting it. My friend, the finance critic for this party, asked a question on this the other day. He did not receive an answer. There are no answers coming from this government or from the Minister of Finance.

I want to conclude simply by saying that at a time when our national economic house is on fire, this government seems content simply to do some pre-Christmas housecleaning, and that is just not good enough.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

CANADIAN ARMED FORCES—POSSIBLE PARTICIPATION IN SINAI DESERT PEACEKEEPING OPERATION. (B) REQUEST FOR DETAILS OF PROPOSED PARTICIPATION

Hon. Allan B. McKinnon (Victoria): Mr. Speaker, when I put my name down for an adjournment debate it was because of the questions I asked on November 2 to which I received what I thought were, if not unsatisfactory replies, certainly incomplete replies. The questions had to do with the proposed peacekeeping force in the Sinai Desert.

● (2200)

As reported at page 12389 of *Hansard*, in my question I quoted an Associated Press report which stated "Canada says it will participate but has not yet been asked". Excuse me, Mr. Speaker, I wonder if I could have your attention. If you don't mind, Mr. Speaker, I would like to carry on this debate without being interrupted. Thank you.

When this question was asked, the Secretary of State for External Affairs (Mr. MacGuigan) replied that they are talking about it. He said, "We have given it some consideration, but I have no further announcement to make at this time".

Let us look at what the newspapers have been saying since this was first raised. I quote as follows from the June 29 issue of the Montreal *Gazette*:

MacGuigan told reporters on Friday that Canada has not received an invitation and is not likely to.

I quote from *The Globe and Mail* of June 26:

In Ottawa, a spokesman for the Department of External Affairs said Canada has not been formally requested to provide troops for the peacekeeping force, but added that External Affairs Mark MacGuigan would consider such a request.

Mr. MacGuigan has recently cast doubt on Canada's participation in a project that is not sponsored by the UN. Ottawa is apparently not eager to ally itself with the Camp David accords while trying to improve relations with the Arab world.

I quote from *The Globe and Mail* of May 22:

—Defence Minister Gilles Lamontagne said a request for Canadian troops would be favourably considered.... The United States is certain to provide the main body of peacekeeping troops because Israel wants a U.S. role as added protection against attack.

Mr. Lamontagne's reported comments are the strongest indication yet that Canada is ready to take part. The Defence Minister is reported to have said the issue has not yet come up in cabinet.

This leaves the entire country in a state of bewilderment as to whether Canada is committing troops to the Sinai peace force or not. As members realize, it was originally thought up at the Camp David accord between Egypt, Israel and the United States. It is not a UN peacekeeping force. Among the precepts that have been clearly set out by a former Liberal secretary of state for external affairs, it is stated quite clearly that before Canada commits a peacekeeping force, it would want it to be preferably under UN Control.

I would like to read a few words by Professor John Holmes, a counsellor at the Canadian Institute of International Affairs and Bissell professor of Canadian-American relations at the University of Toronto. He said in June:

Participation, however, raises tough problems. Although the force would be for surveillance only, the main component might well be American and thus misconstrued as the U.S. Rapid Deployment Force of which all Arabs are wary... Whatever the good intentions of Washington, we would find ourselves an adjunct of their foreign and defence policy over which we would have little influence... In a crisis Canadians could be asked to act as we had never intended. Who would be in command?

I will refer to what the Hon. Mitchell Sharp set out as being the precepts that should apply if Canada is thinking about getting involved. They are:

(3) The peacekeeping force should be responsible to a political authority, preferably the United Nations.

(6) Canadian participation in the force must be acceptable to all concerned.

(8) There must be an agreement and equitable method of financing the operation.

I submit that several of these criteria have not been complied with today. John R. Walker, of Southam News, a very learned journalist in this area, wrote:

Finally the Canadian government will want to know what is happening to the two massive military air bases Israel has at Etzion and Eitam in the Sinai. The U.S. military has been eyeing both these highly sophisticated bases for some time, egged on by Israelis who hate to see the equipment lost.

The Americans would love to have these bases available for their proposed Rapid Deployment Force—

I would like now to turn to the other questions I asked. There were three questions: whether there was a commitment, whether Parliament would be consulted before any commitment was made, and how many troops were involved. Further to that, I would like to point out that in evidence given before the Senate committee looking into the state of the armed forces this year, Brigadier General P. J. Mitchell, Director general, Land Doctrine and Operations, Department of National Defence said:

● (2205)

—if the NATO deployment and augmentation plans that have been described to you already were implemented, there would remain in Canada, available for deployment to an Arctic threat such as you describe, barring any other commitments beyond the NATO commitments you have talked about, a battalion-sized unit in eastern Canada and a battalion-sized unit in western Canada that would be available for such tasks.

The other day I asked if the government will explain to our NATO allies whether, if we send a sizeable force to Sinai, we

will have to welsh on some of the commitments we have made to NATO. Finally, in the way of parliamentary approval for use of Canadian forces abroad, the Right Hon. Lester B. Pearson who said in the House:

—if a request is made involving the use of substantial numbers of Canadians abroad, we would bring the matter before Parliament before any final decision is made.

I ask for reassurance on this point. I sincerely hope that the parliamentary secretary, who has had some three weeks to consider the matter, will assure the House that it will be brought to Parliament before any final commitment is made. I hope the government will let me know how many troops are involved and whether we will notify our NATO allies that we will be incapable of carrying out our other commitments if we carry out this commitment.

Hon. Ron Irwin (Parliamentary Secretary to Secretary of State for External Affairs): As the hon. member is aware, the Camp David accord was signed in the fall of 1978 by Egypt, Israel and the United States, and strongly supported by Canada and many other countries. As a result of the Camp David accord, the peace treaty was signed on March 26, 1979 by Egypt and Israel. Under the terms of that treaty, Israel was to withdraw from the last third of the Sinai in April, 1982. There would be a deployment of UN forces and observers. However, failing the UN force, the U.S.A. was to establish and maintain the force itself. By May, 1981, it became obvious that the UN security council was unable to agree in providing a force; therefore, Egypt and Israel agreed to the establishment of a multinational force and observers.

We discussed Canada's position with the force with many countries. As evidenced in the past, we are always available for this type of operation, but we have not been officially asked to participate. Therefore, no commitment has been made. When questions are asked in the House as to how long the force will be there, the number of men and how much equipment will be involved, these questions are hypothetical.

The hon. member asked a very important question as to notification of the House. In the past, approval of the House has been sought when participation in a peacekeeping operation involved a substantial Canadian force. I think this has been the tradition in the House.

On the question of U.S. control, we have no agreement; but the guidelines so far are that the force commander will be a Norwegian lieutenant-general. He will report to a civilian director general who, in the first instance, will be a U.S. military citizen. Ultimately, the director-general will be under the auspices and responsible to the Egyptians and the Israelis.

As far as peacekeeping anywhere under U.S. control is concerned, the answer is no, the Canadian forces have not been under U.S. control in the recent past nor do they intend to be in the future.

● (2210)

Outside of the UN auspices, in the past we have participated in similar forces such as the International Commission for Supervision and Control in Indo-China, and also under the auspices of the UN there was the Golan Heights and the UN Truce Supervision—

The Acting Speaker (Mr. Ethier): Order, please.

RAILWAYS—PENSIONS OF RETIRED WORKERS. (B) REPORTED PURCHASE OF GULF OIL STOCK BY CANADIAN NATIONAL RAILWAYS PENSION FUND

Mr. Dan McKenzie (Winnipeg-Assiniboine): Mr. Speaker, earlier this year I raised questions regarding the pensions of retired workers of both the CN and CP railways. My question was directed to the then minister of labour. Rail pensioners are amongst the lowest compensated pensioners in Canada. Some former employees are receiving such measly increases as $4 per year, and some receive pensions of only $115 per month. I asked what the minister was going to do to correct this disgraceful condition. The Minister of Transport (Mr. Pepin), as I pointed out at the time, has made his position perfectly clear: he will do absolutely nothing to assist them in their time of need, and he claims that it is up to the Minister of Labour to do something.

I have pursued this matter in standing committees and I had an exchange of letters with the Minister of Transport and with the Minister of Labour, to no avail.

I have also pointed out in motions in the House that rail pensioners have had to put up with such measly increases as $77 over 19 years. This amounts to the grand total of $4 per year or 33 cents per month, resulting in $265 per month pension rate. A 33-cent increase does not go far against the odds of new record inflation rates of 12.6 per cent, a 15.2 per cent increase in food costs and an 80 cents per gallon increase in the price of gas. We are talking about rail workers who retired prior to 1972.

Earlier this year the Parliamentary Secretary to the Minister of Transport (Mr. Bockstael) pointed out to me that the steady improvements in the fund's earnings resulting from such investments will allow CN to reduce its unfunded liability and increase its capacity to pay existing and future pensioners. He said that to reduce investments and make shortsighted pension increases is a sure way to pension bankruptcy, and that independent actuaries would confirm this.

This answer confirms that the Liberal government has no intention of assisting these CP and CN pensioners who are now in their seventies and eighties, Mr. Speaker.

I received a letter recently from the Minister of Transport in which he stated:

The published financial statements for CN's pension fund indicate that the fund first acquired oil and gas holdings in 1979 and that at the end of 1980 these holdings were valued at about $54 million. This represented about 2 per cent of the valuation of the CN pension fund at that point.

I wanted information about how pension funds would be used. Some of these moneys should have been used to increase pensions. That would have not bankrupted the pension fund.

In a letter to R. W. Worraker, chairman of the National Council of CN Pensioners' Associations Inc. Robert Bandeen, president and chief executive officer of Canadian National, stated in the final paragraph that he encouraged them to continue making representations to all the bodies which have some responsibility in solving the complex issue of retirement income.

I want to point out that these pensioners are in their seventies and eighties. They have no resources with which to solve the problem at all. They get the ministerial and bureaucratic run-around from some man being paid $150,000 per year to tell them, a group of pensioners in their seventies and eighties, to find some resource to get a little bit of a pension increase. What a national disgrace this is under the Liberals!

● (2215)

Another excuse being used in this issue is the Pension Benefits Standards Act. If this act needs to be changed, it is up to the government to bring forth legislation to make amendments so the CN and CP can implement some form of indexing in increased pensions monthly, not in a small lump sum increase at the end of the year as they are doing now.

I plead with the parliamentary secretary to give a firm commitment tonight that the government will take immediate action to contact the CN and CP and at least arrange for a partial indexing of these retired railworkers low pensions.

Mr. Robert Bockstael (Parliamentary Secretary to Minister of Transport): Mr. Speaker, the hon. member has again pursued the question of railway pensions in his question on May 21. I have little to add to the frequent and, in my view, quite adequate answers he has received in the House and in correspondence.

With respect to the level of pensions, I have said before that the government fully recognizes that inflation erodes the purchasing power of a pensioner's fixed income, and is committed to finding ways of improving the pensioner's situation. The National Pension Conference was part of this effort. But the hon. member conveniently forgets the real improvements that have occurred, such as the annual increases that the CN has given since 1970 to pensioners who retired before 1973 and to their surviving spouses.

A common assumption is that the pension fund of CN is designed only to pay benefits to approximately 45,000 current recipients. If this were true, one might wonder why it could not accommodate some form of indexation. But, in fact, the fund does much more than this. Apart from refunding contributions to employees terminating service, it is required by law that there be a sufficient reserve to provide for future pensions for the 75,000 employees now in service.

The hon. member has also raised the question of the fund's investments. The Minister of Transport wrote him recently on this subject and assured him that the CN pension fund is independently administered as a vehicle for financing the obligations of the pension plan toward current or retired members or their survivors. It is not established as a vehicle for the takeover of management control of other enterprises. The Pension Board is administered by ten members comprising five railway appointed members and five chairmen of unions representing various trades within the railway industry.

THE CONSTITUTION—PROVISION RESPECTING MANDATORY RETIREMENT

Mr. Jesse P. Flis (Parkdale-High Park): Mr. Speaker, I rise under the provisions of Standing Order 40. On Monday, November 16, 1981, in the absence of the Minister of Justice (Mr. Chrétien), I asked the Acting Prime Minister whether one of my constituents, Captain Ross Stevenson, the Air Canada pilot who obtained an injunction against Air Canada to allow him to work past the mandatory retirement age of 60 will be allowed to do so.

This is not the first time I have raised this question in the House. On May 20 of this year I moved a motion in this chamber to the effect that the Minister of Justice and the Attorney General of Canada introduce an amendment to the Canadian Human Rights Act which would end the imposition of early retirement. I made that motion then in light of the fact that Mr. Fairweather, Commissioner of the Canadian Human Rights Commission, in his fourth annual report dated March 31, 1981, to the Minister of Justice and the Attorney General of Canada, recommended to Parliament that Sections 9(2) and 14(C), allowing for the imposition of mandatory retirement, be deleted from the Canadian Human Rights Act.

The same recommendation was made by Senator Croll's special Senate committee on retirement age policies on April 15, 1980. On May 23, 1981, I asked the Minister of Transport (Mr. Pepin) whether he would intervene in the dispute between Captain Ross Stevenson and Air Canada, allowing him to work past the age of 60. The minister clearly stated that Transport Canada has no retirement age for pilots. The only age requirement is that the applicant must be not less than 21 years of age at the time the licence is issued, and that the pilot possess an airline transport pilot's licence. Once the pilot has been issued the licence, he can continue to hold and exercise the privilege of licence, provided he can continue to meet the medical standards based on those set by ICAO, and pass periodic flight testing to demonstrate his competency.

Mr. Speaker, I want to make it very clear that Captain Ross Stevenson has passed the medical standards and has passed all flight tests with flying colours.

● (2220)

I refer you to my comments in this House on this topic on May 29 and again on June 9, 1981. I will not repeat what I said then. Hon. members listening to this debate may refer to those speeches in *Hansard*.

I raise this topic again today in the hope that the accord signed on November 5, 1981, by the federal government and nine premiers to patriate the Canadian Constitution with an amending formula and a charter of rights and freedoms will remove age discrimination in collective agreements between

the federal government and its employees. It is my hope also that this new charter of rights and freedoms will protect my constituent, Mr. Stevenson, against age discrimination. Section 15(1) gives every Canadian equality before and under the law, and equal protection and benefit of the law.

I shall quote from Section 15(1) from the notice of motion put by the Minister of Justice yesterday, November 18, 1981. It reads:

> Every individual is equal before and under the law and has the right to equal protection and equal benefit of the law without discrimination and, in particular, without discrimination based on race, national or ethnic origin, colour, religion, sex, age or mental or physical disability.

My question in this chamber on November 16 was whether this section of the charter, specifically concerning mandatory retirement, will come into effect immediately after the Constitution is patriated, or will there be a three-year waiting period. This is the question the acting minister did not answer, and I hope that the Minister of Justice, or his parliamentary secretary, will answer today.

A clear answer to this question today will let Captain Ross Stevenson know whether he can work for Air Canada past the age of mandatory retirement of 60.

I wish to congratulate my constituent and his wife for their commitment in attempting to remove this discriminatory policy from the collective agreement between Air Canada and the Canadian Airline Pilots Association. Canada has witnessed many heroes in its 114-year history. Hopefully, Captain Stevenson will be one of those heroes who did something positive for his country.

I am very pleased that one of my constituents, Mr. Gustow Slodkowski is here listening to the debate. Mr. Slodkowski is the editor of the Polish Alliance Press of Canada. He could have retired two years ago, but he did not. His skills were recognized. They were put to good use and he is still the editor today.

Canada is a country which recognizes the skills of people past any mandatory retirement age and puts them to good use. I hope that the parliamentary secretary has the answer that I am seeking today for Captain Ross Stevenson.

Mr. Robert Bockstael (Parliamentary Secretary to Minister of Transport): The hon. member for Parkdale-High Park (Mr. Flis) asked earlier this week whether Section 15 of the Canadian charter of rights and freedoms when it comes into force would affect Captain Stevenson's case, an Air Canada pilot who received instruction to leave his employment at the age of 60.

The House is aware that it is improper to comment on the Stevenson case because it is currently before a human rights tribunal. I am pleased to say that Section 15 of the charter, which the hon. member has just read is now before the House.

It will be up to the courts to give a meaning to the equality rights guaranteed by the charter. These rights will not become effective until three years after the adoption of the charter in order to allow each level of government to review and amend any laws which may not conform to the non-discrimination rights. Pension laws fixing mandatory age of retirement will have to be examined closely during this process since age is one of the prohibited grounds of discrimination under Section 15.

• (2225)

The Acting Speaker (Mr. Ethier): A motion to adjourn the House is now deemed to have been adopted. Accordingly this House stands adjourned until tomorrow at eleven o'clock a.m.

At 10.25 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Friday, November 20, 1981

The House met at 11 a.m.

• (1105)

ROUTINE PROCEEDINGS

[*English*]

THE ECONOMY

DEMONSTRATION ORGANIZED BY CANADIAN LABOUR CONGRESS—MOTION UNDER S.O. 43

Mr. Howard Crosby (Halifax West): Madam Speaker, I rise to move a motion under the provisions of Standing Order 43. The Canadian Labour Congress has graphically demonstrated the plight of the victims of the government's high interest rate policy by assembling a group of Canadian home owners who face mortgage foreclosure and loss of their homes. The Congress will join with consumers and other community groups involved in the Coalition Against High Interest Rates to focus further public attention on the dire results of the government's policy in a demonstration on Parliament Hill tomorrow. I move, seconded by the hon. member for Parry Sound-Muskoka (Mr. Darling):

That this House direct the Minister of Finance to heed the warnings of the Canadian Coalition Against High Interest Rates, and others, by revising his fiscal policies and initiating effective action to lower interest rates, particularly on residential mortgages.

Madam Speaker: Does the House give its unanimous consent to this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

AGRICULTURE

CONDITION OF LIVESTOCK INDUSTRY—MOTION UNDER S.O. 43

Mr. Gordon Taylor (Bow River): Madam Speaker, I rise to move a motion under the provisions of Standing Order 43. Like a deadly germ, exorbitantly high interest rates have been injected into the economic bloodstream of Agriculture Canada by the Liberal government and the banks and, like septicemia, it is poisoning Canada with farm bankruptcies, foreclosures, bred milk cows being sold for as low as $20, farmers being advised to sell their land to stay alive, life-dreams of men, women and children being dashed to the ground, and all the federal government does is talk, talk, talk. Therefore I move, seconded by the hon. member for Peace River (Mr. Cooper):

That Dr. Trudeau and Dr. Whelan use the medicine they have, the federal stabilization act, to inject new blood into the livestock industry before it dies of high interestitis disease. For God's sake, and I say that reverently, when will this Liberal government do something to save this industry?

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

THE BUDGET

EFFECT ON RETIREMENT INCOME OF FARMERS—MOTION UNDER S.O. 43

Mr. Len Gustafson (Assiniboia): Madam Speaker, I rise under the provisions of Standing Order 43 on a matter of urgent and pressing necessity. The budget of November 12 has inflicted a major burden of taxation on retiring farmers for whom the sale of their farms or the sale of their cattle was the only retirement savings plan they had. This was eliminated in the budget, by taking away the income averaging annuity contract, placing the retirement of farmers in jeopardy. I move, seconded by the hon. member for Bow River (Mr. Taylor):

That the Minister of Finance reverse his decision and re-introduce the provision of income averaging annuities into the budget.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

THE CONSTITUTION

RECOGNITION OF ABORIGINAL RIGHTS—MOTION UNDER S.O. 43

Mr. Edward Broadbent (Oshawa): Madam Speaker, I rise to move a motion under the provisions of Standing Order 43. Noting that there was unanimous consent given in this House yesterday to urge the government of Saskatchewan to accept the entrenchment of full equality for women in the constitutional accord, and noting that the two New Democratic governments in western Canada desire the entrenchment of treaty

and aboriginal rights, I move, seconded by the hon. member for Churchill (Mr. Murphy):

That this House now give unanimous consent to urging the Right Hon. Leader of the Official Opposition to contact his colleagues, Premier Lougheed and Premier Bennett, and urge them to accept entrenchment of aboriginal and treaty rights in the same accord.

Some hon. Members: Hear, hear!

Madam Speaker: Is there unanimous consent to this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

Some hon. Members: Oh, oh!

Mr. Miller: The Tories said no.

Madam Speaker: Order, please. There were noes.

Mr. Nielsen: Madam Speaker, I rise on a point of order—

* * *

[*Translation*]

THE CONSTITUTION

RECOGNITION OF ABORIGINAL RIGHTS—MOTION UNDER S.O. 43

Mr. André Maltais (Manicouagan): Madam Speaker—

[*English*]

Mr. Nielsen: Madam Speaker, I rise on a point of order.

Madam Speaker: Order, please. A point of order I may entertain later, but not during the time allocated for motions under the provisions of Standing Order 43.

[*Translation*]

Mr. Maltais: Madam Speaker, I move, seconded by the member for Shefford (Mr. Lapierre):

That Canada's Parliament recognize aboriginal rights in the new Constitution.

Madam Speaker: The House has heard the motion presented by the hon. member. Under the provisions of Standing Order 43, this motion requires the unanimous consent of the House.

Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Madam Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. Members: Agreed.

Motion agreed to.

[*English*]

RAILWAYS

USE OF HOPPER CARS TO TRANSPORT GRAIN—MOTION UNDER S.O. 43

Mr. Arnold Malone (Crowfoot): Madam Speaker, I rise to move a motion under the provisions of Standing Order 43. In view of the fact that instances have been reported on the prairies of grain hopper cars arriving at local elevators to be filled with grain, only to have it discovered that the hopper cars were already filled with grain, and through the method of placing questions on the order paper it has been established that some of these hopper cars were filled on the prairies, travelled 1,660 miles to the port of Vancouver and back to the prairies to be refilled while in fact they were still full, I move, seconded by the hon. member for Peace River (Mr. Cooper):

● (1110)

That all CN Crown corporation trains be equipped with automatic wheel brake locking systems set to be activated when the trains enter the port of Vancouver and which will not release until the trains have been appropriately unloaded, and that the savings from this innovative system be used to provide prairie farmers with matching grants whereby they can pay, without actual costs, those demurrage charges that accrue from other government-run grain operations.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

THE BUDGET

PROVISIONS AFFECTING INVESTMENT INCOME—MOTION UNDER S.O. 43

Mr. John Bosley (Don Valley West): Madam Speaker, I rise under the provisions of Standing Order 43. Whereas the right of a Canadian to deduct from taxable income, interest paid on moneys borrowed for investment in Canada, has been one of very few federal incentives to create new jobs and new wealth in Canada, and the removal of this incentive will severely damage those who have already undertaken risk investments, lead to more lay-offs and even lower growth, I move, seconded by the hon. member for Cambridge (Mr. Speyer):

That the House condemn the elimination of this incentive in the budget and demand its reinstatement, so that Canada will not become virtually the only country in the free world to so discourage investment.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

THE CONSTITUTION

RECOGNITION OF ABORIGINAL RIGHTS—MOTION UNDER S.O. 43

Mr. Jim Fulton (Skeena): Madam Speaker, I rise under the provisions of Standing Order 43 to propose a motion similar to that proposed by the hon. member for Oshawa (Mr. Broadbent), to make sure there is no misunderstanding in this House. Noting that there was unanimous consent given in this House yesterday to urge the government of Saskatchewan to accept the entrenchment of full equality for women in the constitutional accord, I move, seconded by the hon. member for Oshawa (Mr. Broadbent):

That this House now give unanimous consent to urging the Right Hon. Leader of the Official Opposition to contact Premier Lougheed and Premier Bennett, and urge them to accept entrenchment of aboriginal and treaty rights in the same accord.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Madam Speaker: Hon. members have heard the motion. Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Hon. Erik Nielsen (Yukon): Madam Speaker, the hon. member for Oshawa (Mr. Broadbent), as usual, is a little behind the times. Had he looked on the table when coming into the opposition lobby today he would have seen a stack of press releases put out by the office of the Leader of the Opposition (Mr. Clark), dealing with this matter. A telex was sent yesterday, not just to the premiers set out in his motion but, indeed, to all premiers. The text of that telex sets forth the spirit of the motion that he has moved and which the House has unanimously accepted. I might just read that text into the record, if I have the time.

This is the telex that the Leader of the Opposition sent to all provincial premiers:

The Progressive Conservative Party in Parliament will be offering certain amendments to the government's latest constitutional proposals. The amendments would increase substantially the support in Canada for a full constitutional settlement, within the spirit of the accord of November 5.

In order to meet the stated objections of the government of Quebec, we propose to reinstate the full financial compensation provisions of the April accord. The benefits of that would naturally be available to all provinces.

Further, we believe that it is not in the national interest to exclude from the resolution the reasonable and fair assurances to the aboriginal peoples which were contained in Section 34 of the previous resolution and which were supported overwhelmingly by all parties in Parliament.

Some hon. Members: Hear, hear!

● (1115)

Mr. Nielsen: I am sorry, Madam Speaker, time prevents me from reading the full text, but it deals with those matters, including equality of women, and so on.

Some hon. Members: Hear, hear!

Madam Speaker: It is now 11.15 a.m. I must interrupt the debate on this motion. However, if the House wishes, I can put the motion to the House.

Some hon. Members: Agreed.

Some hon. Members: No.

Madam Speaker: The discussion is over. It is time for oral questions.

ORAL QUESTION PERIOD

[*English*]

INDUSTRY

LAY-OFFS INSTITUTED BY MASSEY-FERGUSON

Hon. Sinclair Stevens (York-Peel): Madam Speaker, my question is for the Minister of Industry, Trade and Commerce, who undoubtedly is aware that for approximately 1,900 employees at Massey-Ferguson this is their last work day as a result of having been given notice of temporary lay-offs on Monday, for a period which will not end before February.

Would the minister indicate to the House, bearing in mind that his government has guaranteed various obligations for Massey-Ferguson to the tune of $125 million, and bearing in mind it will mean a total of 3,000 of the 6,400 work force in Canada of Massey-Ferguson will now be laid off, which is almost a 50 per cent lay-off in Canada compared with approximately an 18 per cent lay-off in the United States, and no lay-off whatsoever in Massey-Ferguson factories around the world with respect to some 20,000 other workers, why this lay-off is occurring?

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Madam Speaker, the plants in Canada make combines. The market for combines is particularly weak in the United States which is the main outlet for these products. The great bulk of these products is exported to the United States and, unfortunately, economic conditions there do not permit the level of sales of these combines which we would like to see.

The same thing is happening to the principal competitors of Massey-Ferguson, such as John Deere and International Harvester. They are laying off substantial numbers of people from their combines plants in that country as well. We are not happy about these lay-offs, but they seem to be a reflection of conditions in the principal market for the products made by the Massey-Ferguson plants in Canada.

LAY-OFFS INSTITUTED BY RCA VICTOR IN MIDLAND, ONT.

Hon. Sinclair Stevens (York-Peel): Madam Speaker, my question is again to the Minister of Industry, Trade and Commerce, who undoubtedly is well aware of the fact that in

an interview this morning an official of Massey-Ferguson said that their number one problem was high interest rates—not the impact of world market conditions that the minister has indicated.

I will put this further question to the minister. He is undoubtedly aware that at the RCA Victor plant in Midland, approximately 25 per cent of its work force of 1,200 people is now laid off. It is the main employer in the town of Midland. If the minister is aware of that, would he indicate why this type of lay-off is occurring, and would he not agree that it is also due to the high interest rate structure that his government has had in place for almost the last year?

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Madam Speaker, this government has not created the high interest rate structure in the United States—

Some hon. Members: Oh, oh!

Mr. Gray: —a country whose economic policy the hon. member thinks is so tremendous, a country which provides the outlet for 80 per cent or more of the production of Massey-Ferguson plants in Canada. If I am not mistaken, Massey-Ferguson has in Canada, according to my colleague, the Parliamentary Secretary to the Minister of Agriculture, a program whereby it sells combines in Canada at a particularly low rate of interest, a competitive rate. But the real problem is with respect to the economic situation in the United States.

With respect to interest rates in Canada generally, as the Minister of Finance pointed out, interest rates in this country, if one looks at the bank rate, are lower than at any time since the end of last year. They have come down approximately six points since August of this year. Certainly this is a step in the right direction in the key area of interest rates in this country. I wish there were further progress in the United States, a country whose economic policies the hon. member seems to think are so wonderful.

• (1120)

IMPORTATION OF PRODUCTS FROM JAPAN

Hon. Sinclair Stevens (York-Peel): Madam Speaker, I am sure all of us would like to remind the minister that interest rates in this country are still higher than they were when he said he would resign if they were that high during a period in which he was in government.

Does the minister not feel that there is an inconsistency in the policy of the government which permits companies such as Mitsui to do $1.5 billion worth of business in Canada but to employ only 140 people in this country when, at the same time, concerns such as Admiral, RCA Victor, and many other companies are finding it extremely difficult to compete with such concerns and have to lay off thousands of Canadian workers? Why does the minister encourage the importation of goods from Japanese and other manufacturers while at the same time discouraging, through such devices as FIRA, the opening up of plants in Canada which might employ Canadians and avoid the lay-offs we are now experiencing?

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Madam Speaker, my hon. friend is certainly showing an amazing example of trying to work both sides of the street at the same time. In other comments he complains about alleged government interference with the private sector. Today he is calling for even more interference in a system he thinks is working well.

We happen to be working with the Admiral company, with provincial governments, with workers and with potential purchasers of that company in an effort to work out a program to restore it to operation. We are pursuing efforts in that regard.

If my hon. friend is talking about unfair import practices on the part of Mitsui, I would be happy to review those practices with the Minister of National Revenue to see if they contravene our laws. However, one thing the hon. member seems to be calling for which does not seem to be consistent with his non-interventionist philosophy is a system of review of the performance of large multinationals. I thank the hon. member for supporting this very interesting concept.

* * *

THE BUDGET

PROVISIONS AFFECTING INVESTMENT INCOME

Mr. John Bosley (Don Valley West): Madam Speaker, I have a question for the Minister of Finance regarding the ability to deduct from taxation the interest one pays on moneys borrowed for investment in Canada. I would like to raise with the minister the specific case of six young investors in Toronto who borrowed $100,000 last year to start a business. This business replaced an American business in Canada and now employs, through leverage, 200 Canadians in Montreal, Toronto, Burlington and London. They must decide in January whether to borrow the second $100,000 to which they committed themselves at the beginning. Their entire decision in the beginning was based on their ability to deduct interest costs.

Can the minister explain to me and to these investors why their desire to create wealth and jobs in Canada as of November 12 is regarded as immoral, and can he explain to the people whose jobs may be in jeopardy why that is a reasonable thing to do at this time?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, the hon. member will be pleased to know that the measure I am proposing will not have the damaging effects he believes it will have; nor will it have the damaging effects the several individuals the hon. member mentioned might believe it will have. For that reason I would be pleased to have detailed information so that I can analyse the case.

Many people do not seem to understand that individuals will still be able to deduct borrowing costs on any investment against investment income from any asset, not just against the income from the asset to which the borrowing relates, and it

seems to me that, unless I have much more information, that covers the point raised by the hon. member.

Mr. Bosley: Madam Speaker, it is stunning that the Minister of Finance simply does not understand that, to be successful, new businesses will not generate income in their first three to five years against which to write off interest.

REQUEST THAT IMPLEMENTATION DATE BE CHANGED

Mr. John Bosley (Don Valley West): Madam Speaker, if the minister is not prepared to consider reversing his position on this issue, as he did, with some help from us, on the MURB provisions earlier, with respect to the ability to deduct interest and the other tax incentives which have led Canadians to invest in Canada, will he at least consider grandfathering those investments so that Canadians who undertook risk in this country to try to put people back to work will not be forced to pay a tax penalty for trying to be good Canadians?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, the point I have already made—which is still valid, despite the hon. member's comment—is that any excess of interest payment charges can be carried forward indefinitely and for deduction against investment income in future years. The case described by the hon. member is still covered by a feature that will permit those carrying charges to be carried forward against investment income in future years.

* * *

THE ECONOMY

REQUEST THAT GOVERNMENT ACT TO ASSIST HOME OWNERS

Mr. Ian Deans (Hamilton Mountain): Madam Speaker, my question is for the Minister of Finance. The minister made much of the phrase "fairness and equity" in his budget of November 12. Tomorrow, a large number of people will travel from all across Canada to Ottawa in order to express their concern about interest rates in particular, and the impact of high interest rates in general. Recognizing that there is a significant number of Canadians who signed mortgages at interest rate levels of 20, 21, and 22 per cent between the months of March and November of this year, will the minister take some action with the banks, or directly through government, to reduce that interest rate level to the current interest rate level that is available?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, the hon. member will be pleased, as I am, to have observed the rather sharp drop in the bank rate recently and the drops in mortgage rates that have resulted. That is probably the best way to ensure that the burden on home owners will be reduced. I take note of the hon. member's question. It has a good deal of sense in it. Is there some way we can accommodate those persons who were in a sense caught in that period of very high interest rates? My understanding is that the financial institutions, particularly the banks, have attempted as much as possible to avoid entering into arrangements at those very high levels. I will certainly pursue that point to see whether something further can be done to ensure that those persons caught at very high levels might have their situation considered.

REQUEST FOR GOVERNMENT COMMITMENT

Mr. Ian Deans (Hamilton Mountain): Madam Speaker, I appreciate the sensible attitude being shown by the minister. I point out to him that, although it may be in the mind of the minister that the banks and financial institutions have attempted to help those people, I can assure him, having spoken with at least one family yesterday who are being asked to sign at 21¾ per cent today, that the banks and financial intitutions are not really doing all they could. I simply ask that the minister make a commitment that there will be some action taken directly by government to require the banks to bring mortgage interest rates into line with current levels, or that the government itself take action to relieve this terrible burden on so many families.

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, we have already announced a measure that, in my view, will prevent any family in this country from losing a home as a result of high interest rates. I am satisfied that that measure will have that effect. I know the hon. member wants to go further. I understand very clearly the point he is making because I discussed that very matter yesterday and attempted to determine to what extent individuals were caught in that high interest rate period and had entered into contracts. I will pursue the matter further. Certainly the case which the hon. member mentions in his question is one that ought to be looked at in the light of what is now a very substantial drop in interest rates. I intend to follow up that matter.

QUERY RESPECTING STABLE INTEREST RATE POLICY

Mrs. Margaret Mitchell (Vancouver East): Madam Speaker, my question is also directed to the Minister of Finance. I want to ask the minister what will be done for those workers who face the double jeopardy of high interest mortgage rates and lay-offs from their jobs. For example, what will the minister do for workers like Tony Brown, who is one of ten thousand IWA workers who have been laid off, who earns only about $930 a month with UIC payments and working every other week, and who tries to support a family of three? This man's mortgage will increase to $1,200 per month. Even with the mortgage deferral program he still would not have enough money to feed his family. I think the minister's previous statement really is not accurate.

• (1130)

What will the minister do to introduce a policy on stable mortgage interest rates? What will he do to stimulate jobs to have more construction for workers like Tony Brown?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, the hon. member knows that it is quite impossible to examine individual cases during question period. It is impossible to do that. I had an experience earlier this week when a particular member raised a question and provided what appeared to be the details of a particular case, and when asked to provide the facts later was unable to do so in a way that would venture or provide a basis for an investigation.

I want to tell the hon. member that we did provide in the budget, first of all, for a program of assistance that will ensure that no family will lose their home as a result of high interest rates. That is the absolute fact.

The hon. member now adds a further question with respect to rental construction. We have provided in the budget very substantial sums of money to encourage rental construction in this country.

During last session and in this session the hon. member poured scorn on the existence of MURBs in the housing field. I was surprised that the hon. member, upon learning that we intend to drop MURBs at the beginning of next year, did not stand up and say, "Bravo".

* * *

HAZARDOUS SUBSTANCES

UREA FORMALDEHYDE FOAM INSULATION—COMPENSATION SOUGHT FOR HOME OWNERS

Mr. Geoff Scott (Hamilton-Wentworth): Madam Speaker, it has been more than eleven months since the government officially banned urea formaldehyde foam insulation. In the meantime 100,000 home owners are worrying and wondering about what the government will do, and in many cases there is a sense of desperation about what has happened to their property values. Many of them are also facing serious health situations. About six different ministers in the government are handling this UFFI problem.

I want to ask the Minister of Energy, Mines and Resources, who is responsible for CHIP, whether the Minister of State, the hon. member for Hochelaga-Maisonneuve, was announcing government policy recently when he said that the Treasury Board had accepted the principle of evaluating dangers and compensating victims of UFFI? Since he made that statement, has he been able to convince his cabinet colleagues on the need for compensation for UFFI victims?

[*Translation*]

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, the minister responsible for this matter, the Minister of Consumer and Corporate Affairs, was present in the House all week and would have been able to answer this question, which, in fact, he already answered last week. I therefore have nothing to add to the reply given last week on the subject by my colleague, the Minister of Consumer and Corporate Affairs.

[*English*]

REQUEST FOR GOVERNMENT ADVICE

Mr. Geoff Scott (Hamilton-Wentworth): Madam Speaker, I repeat that there are six government ministers who are looking into the question of UFFI. There is nothing contained in the budget in the way of contingency plans for emergency compensation.

The Minister of Consumer and Corporate Affairs says in a letter to my colleagues:

—action required will be decided upon, once the results of the national testing survey, the recommendations of the Board of Review, and the findings of the Co-ordination Centre are available.

The nation-wide testing, Madam Speaker, was completed at the end of October. The Board of Review recommendations on UFFI will not be known until sometime in mid-winter.

I will direct my supplementary question to the Prime Minister. What are people supposed to do until the government gets its act together with regard to this UFFI matter? What advice does the government have for people who are getting sick? Are they supposed to take it upon themselves to remove this dangerous foam insulation?

[*Translation*]

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, once more, I may refer my colleague to what has already been said on the subject by the Minister of Consumer and Corporate Affairs. The Minister has informed the House that complaints were being investigated at the homes of people who had been particularly affected. These investigations have been or are being finalized, and whatever evidence we have gathered so far is now under scrutiny and the Minister of Consumer and Corporate Affairs has indicated that he would publish this information as soon as possible and would then be in a position to indicate whether any other steps could be taken.

* * *

HOUSE OF COMMONS

PRESENCE IN GALLERY OF HIS EXCELLENCY JOSÉ CARLOS GANÇALVES VIANA, MINISTER OF FISHERIES OF PORTUGAL

Madam Speaker: I should like to draw the attention of the House to the distinguished presence in our gallery of His Excellency José Carlos Gançalves Viana, the Portuguese Secretary of State for Fisheries.

Some hon. Members: Hear, hear!

[*English*]

CANADIAN TRANSPORT COMMISSION

MANDATE TO RETAIN BRANCH LINES

Mr. Arnold Malone (Crowfoot): Madam Speaker, I have a question for the all too comfortable looking Minister of Transport. In view of the fact that the minister, by order in council, has provided for hearings to abandon more railways on the prairies that were originally secure until 1985, and in view of the fact that the mandate of the CTC allows it only two options—one, is to abandon and, two, is to retain for five years—will the minister give consideration to an extension of that mandate for abandonment to five years, fifteen years, or into the permanent network? I ask the question in view of the fact that multi-million dollar investments cannot be made on the basis of five-year projections, such as grain elevators, building up of the road bed, or any other structures requiring that kind of expenditure.

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, the rehabilitation of branch lines in the west has reached quite an extensive level. At the moment the system is working quite well. The other day I was pleased to announce that we now have a detailed program for a period of three years. I was also pleased to put during the summer on behalf of the government, $45 million more in the next three years into that branch line rehabilitation program. Obviously there are limitations to the number of miles of lines that can be included in that system. The process of elimination must follow its normal course if we want to have a manageable situation. I do not know precisely what my hon. friend has in mind, but maybe he can elucidate that in his next question.

SUGGESTED EXTENSION OF MANDATE

Mr. Arnold Malone (Crowfoot): Madam Speaker, what I am pointing out with respect to any abandonment of branch lines taking place in the normal course is that abandonment automatically happens at the end of a five-year extension. This means that the railway companies will not put in new ballast because of the amount of investment required, and no new grain elevators will be built because they require an investment of several millions of dollars each. Such investment will not be undertaken if only a five-year projection can be given. There must be greater security of investment provided.

Would the minister give consideration to changing the mandate of the Canadian Transport Commission so that instead of it having the option to postpone an abandonment for five years, it could postpone it for 15 years, or even transfer the branch line in question to the permanent network? In that way grain companies and railway companies could proceed with their investments, without concluding that at the end of five years, and a few hearings, abandonment would automatically take place because by that time the track would be so torn up that nothing else could happen. Would the minister consider making that kind of recommendation with respect to the Canadian Transport Commission?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, my hon. friend, generally speaking, is asking how the system operates at this time. When a line is abandoned or before the line is abandoned, the elevator companies are fully consulted as to their intent. A line is not abandoned without that process of consultation. Also, after which a decision is made, there is a five-year period of time when it can be reviewed by the CTC. It is complicated enough as it presently exists. I suggest that adding more complications to it would not be in the best interests of western grain producers.

* * *

RAILWAYS

PLANS FOR FUTURE IMPROVEMENT

Hon. Don Mazankowski (Vegreville): My question is also directed to the Minister of Transport. The budget outlined that there would be $1.3 billion spent over the next four years to improve western transportation. I should like to ask the minister two questions. First of all, can he assure this House that the $1.3 billion will not vanish like the $4 billion we heard in last year's budget? Will he advise the House whether he will be approaching the improvement of the transportation system on a comprehensive basis, or is it his intention to proceed on a project by project ad hoc basis? If a decision has not been made, could the minister indicate when such a decision will be taken by cabinet?

• (1140)

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, obviously I have to restrain myself in answering this question. There are two approaches. One is known as the comprehensive one which is the terminology used by the hon. member for Vegreville. It is also know as the system approach. The other approach is less pejoratively referred to as the special projects approach. I can only say for today that cabinet will very soon be seized of that choice and will have to make a decision as to the best possible use of the $1.3 billion which the distinguished Minister of Finance has made available for the maintenance of capacity in the main line in western Canada, a line that will be more and more double-tracked, as the Prime Minister indicated before.

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

Mr. Pepin: I gather from the tone of the question that my hon. friend is already favourable to the comprehensive approach. Should that be so, I have a question to ask him. How many of his colleagues are in agreement with that?

Oral Questions

AGRICULTURE

REFINANCING OF CO-OPERATIVE IMPLEMENTS OF WINNIPEG

Mr. Stan J. Hovdebo (Prince Albert): Madam Speaker, my question is for the flowering Minister of Agriculture, regarding the refinancing of the farmer-owned, Winnipeg-based, Co-operative Implements Ltd. The minister is no doubt well aware of the $35 million refinancing package which is being put together for this western farm machinery company. It includes the assistance of the three prairie provinces, the organizations within the co-operative movement, and the owners of Co-operative Implements themselves, the farmers. Will the government be announcing its participation in this package, particularly in light of the assistance which was given to companies such as Massey-Ferguson, Chrysler and White?

Hon. E. F. Whelan (Minister of Agriculture): Madam Speaker, the hon. member made comment about the flower I am wearing. This is because of the importance which Agriculture Canada places on the floral industry.

An hon. Member: Is it real or plastic?

Mr. Whelan: It is very real. It is a very important industry. The chrysanthemum show has two more days to run at the Experimental Farm in Ottawa. If the hon. member wants to learn more about what is going on, let him go and see. I am sure he realizes that it always pays to advertise.

When the hon. member talks about Co-operative Implements, he should realize that it would have been closed over three years ago if it had not been for the action of the government in providing an interest-free loan for $7 million when the other people were not doing very much about it. We had to beg the provinces to come into it. We are negotiating with them on what we think is a very good program for Co-operative Implements. I am not sure whether or not it will go ahead, but we know that over-all there are 3,000 jobs involved and that the money we provided was $7 million interest free. That money, interest free, amounts to nearly $3 million, so we have already put $10 million into that program. We are prepared to ensure, to the best of our ability, that this plant stays in operation.

AMOUNT OF FEDERAL GOVERNMENT ASSISTANCE

Mr. Stan J. Hovdebo (Prince Albert): Madam Speaker, the minister's emblems extend to his speeches. By way of a supplementary question I should like to ask the minister to confirm that the amount of the federal government's support will be $14 million, which was requested, rather than the $7.5 million previously negotiated. This amount will ensure that Co-operative Implements will continue to operate. Given the support of $360 million to Massey-Ferguson, Chrysler and White, this seems like a paltry amount to keep a Canadian farmer-owned western implement company going.

Hon. E. F. Whelan (Minister of Agriculture): Madam Speaker, the first part of the hon. member's statement was rather flowery. I am glad to see that he has come into the picture late concerning Co-operative Implements. I am glad he realizes that there is a Canadian farm implement manufacturing company which is doing a very good job, as far as I am concerned. Their projections have been even above target, in what they said they would do as far as production is concerned. They need some extra financing at this time.

The hon. member made a comparison with what we have done for Massey-Ferguson, Chrysler and White. I am very proud of what the government has done for those companies. But when he makes a comparison, let him be fair. We have actually given the money interest free to Co-operative Implements, which is significantly greater than just guaranteeing a loan; we are actually putting the money there. The provinces only have to do as much as we have done, and they will have no problems.

* * *

HEALTH

REQUEST FOR VACCINATION PROGRAM TO COMBAT RED MEASLES

Mr. Stanley Hudecki (Hamilton West): Madam Speaker, my question is directed to the Minister of National Health and Welfare. A disease which is seriously underrated by the public and also by some health workers, as far as morbidity is concerned, and one that can and does cause significant brain damage, is red measles. This serious virus infection is preventable by vaccination. The United States is committed to a national vaccination program, with a goal of completely eliminating the disease arising within that country by 1982. Does the Minister of National Health and Welfare have any plans to stimulate and co-ordinate such a program in Canada where the responsibility for health rests with the provinces?

Hon. Monique Bégin (Minister of National Health and Welfare): Madam Speaker, the jurisdiction for implementing such health policy remains with the provincial health authorities. However, the fact is that the National Advisory Committee on Immunization which prepared guidelines for the eradication of measles in Canada strongly recommended that legislation be enacted in each of the ten provinces requiring measle immunization prior to school entry. Unfortunately it has not been implemented in some parts of Canada. I do not have the direct power to do it, so I guess an occasion such as this to tell the public is of value.

* * *

THE CONSTITUTION

RECOGNITION OF WOMEN'S RIGHTS

Hon. Flora MacDonald (Kingston and the Islands): Madam Speaker, my question is directed to the Prime Minister. He will recall that a couple of days ago I asked him how many provinces have not yet given their consent to withdrawing the

override provision to the equality clause, Section 28. Following question period the Prime Minister will recall that he intimated informally to me across the floor of the House of Commons that there were two such provinces. Then he intimated that, if that number were reduced to one, he might consider reinstating the clause as it was in the original, but that he could not do so if it were two or more provinces.

Seeing that there seems to be only one province now which is withholding its approval, I ask the Prime Minister most sincerely whether he would, in concert with eight provinces, agree to reinstate Section 28 to give full equality to male and female persons as it was in the original resolution?

Some hon. Members: Hear, hear!

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, the hon. lady should have terminated her question by saying, "as it was in the original resolution, which the Tories did not support".

Some hon. Members: Hear, hear!

Mr. Nielsen: Not true.

Mr. Crombie: Be serious.

Madam Speaker: Order, please. There is very little time remaining in question period, and we would like to hear from a lot of questioners.

Mr. Trudeau: The hon. lady is asking me a hypothetical question because I do not know how many provinces will in the end support the amendments to restore the charter to its original form, the way it had been proposed. I do not know how many provinces, in the end, will support: maybe all, maybe not all.

I would say the same thing about aboriginal rights. Maybe all will support the restoration of aboriginal rights, and maybe they will not. However, the question remains hypothetical in the sense that I cannot say in advance what the courts would have defined as a consensus of the provinces. We know that too did not appear to be enough. We know that ten is not necessary. I do not know how many provinces we would need to go to London in order that we would have established the constitutionality in a conventional sense of the demarche. I suppose that could only be settled by the courts.

• (1150)

If the question does arise, we will have to make up our minds on this side of the House if "x" number of provinces is enough or not. I hope we will not have to ask ourselves that question because I am sure the house will let any changes to the accord made on Thursday, two weeks ago, be made with the consent of the provinces. I think that is important.

I fail to understand what the laughter is about on that side of the House. Maybe I could have a supplementary question and try to deal with the question.

QUERY RESPECTING NUMBER OF NON-CONSENTING PROVINCES

Hon. Flora MacDonald (Kingston and the Islands): Madam Speaker, I would like to put a supplementary question. The Prime Minister will remember, of course, that Section 28 was not in the proposals brought before the House a year ago this October, and presented by the Prime Minister.

Some hon. Members: Hear, hear!

Miss MacDonald: That section was added in April of this year with the consent and agreement of all parties of this House, because I think we all want to see that section carried out. Therefore, I really want to come back to the question that I posed to the Prime Minister and the information that I understood he conveyed to me the other day that, while two provinces would present some difficulty for him in undertaking to make any change to the clause as it now stands before the House, if that number were reduced to one he might consider it. I am asking him will he now consider that?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, the hon. member makes a point that Section 28 was not in the charter when it was first introduced. She is right, of course, and she is right that many other changes in the charter were made following the introduction into this House in October of last year. She should be reminded of the process which caused that to happen.

We had a pretty good charter in the month of June, 1980. The Minister of Justice attempted to get provinces on side. I now think the House realizes how hard that is on some aspects of the charter and aboriginal rights.

The Minister of Justice, in an attempt to get the provinces on side, watered down that charter in many aspects in the hope of getting a consensus in September of 1980.

We did not get the consensus. Therefore we decided to act with just the authority of Parliament. Since Parliament was going to act on its own, at least in so far as our party and most of the New Democratic Party was concerned, we could afford to improve the charter.

I remind the hon. member of what position she and her party took at that time.

Some hon. Members: Oh, oh!

Mr. Trudeau: Hon. members do not like to be reminded of that, Madam Speaker.

Some hon. Members: Hear, hear!

Mr. Siddon: Answer the question!

An hon. Member: You did the Canadian thing!

Mr. Trudeau: It was that we patriate the Constitution with an amending formula, and that then, after, we would write a charter in Canada.

Mr. Siddon: Let's do that after, then!

Mr. Trudeau: We are going to patriate with an amending formula, and we are going to have a pretty good charter. But let us do what that party has urged all along. Let us, when the Constitution comes back, write a charter in Canada, and then we will get into the job together and do the parts that are not completed.

Mr. Siddon: Let's do that!

Mr. Trudeau: Surely that was the position for the whole of last year, that we should write the charter in Canada. How can they now say, "Write it in this House of Commons, even if the provinces do not want to do this?" They have been saying the contrary to that for a year.

Some hon. Members: Hear, hear!

Miss MacDonald: You changed your position. That's not what you said the other day.

* * *

FINANCE

DIFFERENCE BETWEEN PROGRESSIVE AND REGRESSIVE TAXES

Mr. Jim Hawkes (Calgary West): Madam Speaker, I would like to ask the Minister of Finance a question. Could he give us some clear indication of what he and his cabinet consider to be the difference between a progressive tax and a regressive tax?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I think the existence of a progressive tax is obvious to everyone in the House. What I have been attempting to do is to ensure that there be some relationship between the size of a person's income and the tax burden which that person bears. What I found rather difficult to justify was that, because of the tax system, certain tax filers could entirely escape paying tax. I do not regard that to be a progressive tax system.

QUERY RESPECTING SYSTEM

Mr. Jim Hawkes (Calgary West): Madam Speaker, I am pleased to hear that that is what the finance minister feels. Social scientists in Canada judged the Clark government budget to be the most progressive in the decade of the seventies.

Some hon. Members: Oh, oh!

Mr. Hawkes: On the national accounts basis, page 73 of his supplementary document, it becomes clear to Canadians that indirect hidden taxes have doubled under his stewardship from $100 per family to over $200 per family per month, amounting to $2,500 a year in hidden taxes. Poor people, middle-income people and rich people pay the same. Is that progress, or is that the king of regression who sits in that chair across the House?

Some hon. Members: Hear, hear!

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, obviously the social scientists were out of touch with Parliament—

Some hon. Members: Oh, oh!

Mr. MacEachen: —and out of touch with the Canadian people. Maybe that should give all of us something to think about—

Mr. Huntington: Let's have another election.

Mr. MacEachen: —when we begin to quote social scientists. I presume that the hon. member is an advocate of a progressive tax system, from listening to his questions. Perhaps he ought to have a conversation with one of his colleagues in that party who, earlier in the question period, condemned me and the government for making some changes to the deductibility of interest expenses. Would he believe, the way the deductibility of interest expenses has been applied in the tax system—

Mr. Huntington: Still don't understand it, Allan.

Mr. MacEachen: —has been to permit high income earners in this country to reduce their tax to zero.

Mr. Siddon: That's nonsense. Why do you tax them on money they didn't get?

Mr. MacEachen: Therefore, I ask the hon. member whether it is a progressive and fair tax system when very high income individuals can pay no taxes whatsoever, maybe for an indefinite period of time. That is what I have been attempting to remove from the tax system.

Some hon. Members: Hear, hear!

* * *

COMMUNICATIONS

REVIEW OF BROADCASTING POLICY

Mr. Mark Rose (Mission-Port Moody): Madam Speaker, my question is directed to the Minister of Communications, who knows that a recent Federal Communications Commission decision in the United States liberalized trans-border satellite signal delivery, and that that decision may have far reaching effects for both the Canadian TV viewers and also for Canadian business interests. The 1972 U.S.-Canada agreement, which prohibited the reception of foreign satellite signals, as the minister knows discriminated against people living in certain regions of the country where foreign American signals were not available, either off air or through microwave by cable.

I want to know when the minister intends to announce a new broadcast policy, a global one in terms of its regulation system, which will treat TV content requirements equally, regardless of what carriage options communities in northern and remote areas of Canada choose to employ.

Some hon. Members: Hear, hear!

Mr. Crosby: Whatever happened to Canadianization?

Hon. Francis Fox (Minister of Communications): Madam Speaker, the hon. member has raised a number of questions arising from some actions which have been taken fairly recently in matters dealing with the over-all broadcasting strategy which we are reviewing at the moment. It is quite obvious that since we have, indeed, asked a committee of eminent Canadians in the cultural field led, by Mr. Lou Applebaum from Toronto, and Mr. Jacques Hebert, to undertake a comprehensive review of federal cultural policy, that our over-all broadcasting policy review is subject to the publication of that report.

• (1200)

That group will be reporting initially within the next two weeks to give Canadians a report on what they have heard during hearings across the country. They will then be submitting a second report making specific recommendations. Those recommendations should be made public perhaps in March or April next year. We will then be reviewing broadcast policy in the light of the recommendations we will be receiving from that committee.

The hon. member also raised a question about the FCC. I should point out to the hon. member that the FCC decision to allow trans-border traffic, both television and business signals, is subject to the agreement of both governments.

TRANS-BORDER TRANSMISSION OF DATA

Mr. Mark Rose (Mission-Port Moody): Madam Speaker, I do not know what the people of Canada are going to do while we wait for that cultural policy, because it is going to be a long time.

On the business side of it can the minister assure the House that he will not enter into any agreement with the Americans on trans-border data flows until he has a chance to study the footprints of the various systems, both in the U.S. and Canada, which are entirely different? The U.S. satellites hit our major population while Canadian satellite footprints do not hit the large business centres in the United States. Will he study the implications for job loss and all the other aspects of this kind of proposal coming from the satellite business system, which are immense? The American multinational corporations represent U.S. interest and not Canadian interests.

Hon. Francis Fox (Minister of Communications): Madam Speaker, the answer is yes, of course. That is one of the reasons why we are not rushing to change the 1972 agreement entered into between Canada and the United States. We want to ensure that, if there is any change in that agreement, for instance a change that would bring equalization of viewing opportunities across the country, the legitimate interests of Canada are taken into consideration, and that a good part of the revenues which flow out of the exchange of radio and television communications signals between both countries continues to accrue to Canadians, and continues to ensure a good base for jobs in the Canadian telecommunications industry.

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GREY CUP GAME, 1981

CONGRATULATIONS TO PARTICIPATING TEAMS

Mr. Bill Yurko (Edmonton East): Madam Speaker, I rise on a matter of personal privilege. On Sunday in Montreal the Edmonton Eskimos and the Ottawa Rough Riders meet in the 1981 Grey Cup Game. It has become a great spectacle when Canadians join together in spirit by kicking a football rather than each other.

Some hon. Members: Hear, hear!

Mr. Yurko: Therefore, I am sure that all members of this House join with me today in congratulating members of the Ottawa Rough Riders and the Edmonton Eskimos football teams for their achievement in having won their respective divisions. We wish both teams well as they participate in this annual Grey Cup event, which has become a symbol of our sense of national unity.

I want to say that if I had not said something on this matter my son, who is attending the game, threatened that I would be used as the football!

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

Hon. Walter Baker (Nepean-Carleton): Madam Speaker, as a representative of the national capital area in which the Ottawa Rough Riders have their home, and in the spirit of the words expressed by the hon. member for Edmonton East (Mr. Yurko), and driving out of my soul all the partisanship I can for the moment, I want to associate myself completely with the remarks of the hon. member and to invite other hon. members to associate themselves with this sentiment in the usual way.

Some hon. Members: Hear, hear!

Madam Speaker: I got the message from the House a long time ago that where sports were concerned I have to be extremely tolerant! I know the House wants to express its feelings by applauding both the Edmonton Eskimos and the Ottawa Rough Riders.

Some hon. Members: Hear, hear!

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POINT OF ORDER

MR. DEANS—S.O. 43 MOTION OF MR. FULTON—REQUEST FOR IMMEDIATE VOTE

Mr. Ian Deans (Hamilton Mountain): Madam Speaker, I rise on a point of order.

An hon. Member: The poor Hamilton Tiger Cats.

Mr. Deans: It would be a better spectacle if Hamilton were there.

At 11:15 a.m. today a debate was in progress on a motion moved by the hon. member for Skeena (Mr. Fulton) on aboriginal rights. Could you request the unanimous consent of the House to have the vote on that matter taken immediately?

Madam Speaker: Of course, the Speaker can do anything the House asks her when it gives its unanimous consent. Does the House agree that I put this motion before it and then let the House vote on the matter without debate?

Hon. Erik Nielsen (Yukon): Madam Speaker, the hon. member is learning the rules, albeit a little slowly.

Mr. Young: Sit down.

Mr. Nielsen: I think the rules should be adhered to. The hon. member heard me read most of the text of a telex that was sent to the Premiers. The Right Hon. Leader of the Opposition (Mr. Clark) will be speaking about the matters which were raised as soon as the Minister of Justice (Mr. Chrétien) has completed his remarks. I would urge the hon. member for Hamilton Mountain (Mr. Deans) and all members of his party to stay in the House to listen to those words of wisdom.

Madam Speaker: Is there unanimous consent for the hon. member's request?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Deans: Madam Speaker, I rise on another point of order. I would ask guidance from the Chair with regard to a motion moved under the provisions of Standing Order 43 that was passed. This motion was put by a member on the government side which said, literally translated, that the Canadian Parliament recognize the rights of aboriginals in the new Constitution. How will that motion be disposed of?

Madam Speaker: The motion has been disposed of. As a matter of fact, the House should not reflect on its actions which are final. The motion has been voted on.

Mr. Jim Fulton (Skeena): Madam Speaker, I rise on the point of order concerning the motion I moved, which was seconded by my leader, the hon. member for Oshawa (Mr. Broadbent). I think it important that the native people of Canada know whether or not this House will take a vote and give unanimity to the motion that was before the House.

An hon. Member: There was a vote.

Mr. Hnatyshyn: Learn your rules.

Madam Speaker: Order, please. These motions have been dealt with by the House. The House may not reflect on these motions once they have been dealt with.

Mr. Deans: Madam Speaker, I have a final point of order. This relates directly to the point I have just raised. May I ask what now becomes of the motion to include aboriginal rights in the Constitution that was unanimously passed?

An hon. Member: Did you not go to your classes?

Madam Speaker: The motion has been transferred to Government Orders.

ROUTINE PROCEEDINGS

[*English*]

PETITION

MR. ROSE—PROPOSED INCREASE IN POSTAL RATES

Mr. Mark Rose (Mission-Port Moody): Madam Speaker, I rise to present a petition signed by citizens from the riding of Mission-Port Moody protesting the massive increase in postal rates contemplated for January 1, 1982. My petitioners join thousands of other Canadians who can find no justification for the virtual doubling of postage charges without any guarantee of improved services or the expansion of home delivery. My petitioners pray that the government will listen and act upon their wishes.

* * *

[*Translation*]

THE CONSTITUTION

RESOLUTION RESPECTING CONSTITUTION ACT, 1981

On the Order: Government Notices of Motions.

S.O. 21(2)

November 18, 1981

The Minister of Justice

THAT, WHEREAS in the past certain amendments to the Constitution of Canada have been made by the Parliament of the United Kingdom at the request and with the consent of Canada;

AND WHEREAS it is in accord with the status of Canada as an independent state that Canadians be able to amend their Constitution in Canada in all respects;

AND WHEREAS it is also desirable to provide in the Constitution of Canada for the recognition of certain fundamental rights and freedoms and to make other amendments to that Constitution;

A respectful address be presented to Her Majesty the Queen in the following words:

To the Queen's Most Excellent Majesty:
Most Gracious Sovereign:

We, Your Majesty's loyal subjects, the House of Commons of Canada in Parliament assembled, respectfully approach Your Majesty, requesting that you may graciously be pleased to cause to be laid before the Parliament of the United Kingdom a measure containing the recitals and clauses hereinafter set forth:

CONSIDÉRANT :
que le Parlement du Royaume-Uni a modifié à plusieurs reprises la Constitution du Canada à la demande et avec le consentement de celui-ci;

que, de par le statut d'État indépendant du Canada, il est légitime que les Canadiens aient tout pouvoir pour modifier leur Constitution au Canada;

qu'il est souhaitable d'inscrire dans la Constitution du Canada la reconnaissance de certains droits et libertés fondamentaux et d'y apporter d'autres modifications,

il est proposé que soit présentée respectueusement à Sa Majesté la Reine l'adresse dont la teneur suit :

A Sa Très Excellente Majesté la Reine,
Très Gracieuse Souveraine :

Nous, membres de la Chambre des communes du Canada réunis en Parlement, fidèles sujets de Votre Majesté, demandons respectueusement à Votre Très Gracieuse Majesté de bien vouloir faire déposer devant le Parlement du Royaume-Uni un projet de loi ainsi conçu :

S.O. 21(2)

ANNEXE A—SCHEDULE A

An Act to give effect to a request by the Senate and House of Commons of Canada

Loi donnant suite à une demande du Sénat et de la Chambre des communes du Canada

Whereas Canada has requested and consented to the enactment of an Act of the Parliament of the United Kingdom to give effect to the provisions hereinafter set forth and the Senate and the House of Commons of Canada in Parliament assembled have submitted an address to Her Majesty requesting that Her Majesty may graciously be pleased to cause a Bill to be laid before the Parliament of the United Kingdom for that purpose.

Sa Très Excellente Majesté la Reine, considérant :

qu'à la demande et avec le consentement du Canada, le Parlement du Royaume-Uni est invité à adopter une loi visant à donner effet aux dispositions énoncées ci-après et que le Sénat et la Chambre des communes du Canada réunis en Parlement ont présenté une adresse demandant à Sa Très Gracieuse Majesté de bien vouloir faire déposer devant le Parlement du Royaume-Uni un projet de loi à cette fin,

Be it therefore enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:

sur l'avis et du consentement des Lords spirituels et temporels et des Communes réunis en Parlement, et par l'autorité de celui-ci, édicte :

Constitution Act, 1981 enacted

1. The *Constitution Act, 1981* set out in Schedule B to this Act is hereby enacted for and shall have the force of law in Canada and shall come into force as provided in that Act.

Adoption de la *Loi constitutionnelle de 1981*

1. La *Loi constitutionnelle de 1981*, énoncée à l'annexe B, est édictée pour le Canada et y a force de loi. Elle entre en vigueur conformément à ses dispositions.

Termination of power to legislate for Canada

2. No Act of the Parliament of the United Kingdom passed after the *Constitution Act, 1981* comes into force shall extend to Canada as part of its law.

Cessation du pouvoir de légiférer pour le Canada

2. Les lois adoptées par le Parlement du Royaume-Uni après l'entrée en vigueur de la *Loi constitutionnelle de 1981* ne font pas partie du droit du Canada.

French version

3. So far as it is not contained in Schedule B, the French version of this Act is set out in Schedule A to this Act and has the same authority in Canada as the English version thereof.

Version française

3. La partie de la version française de la présente loi qui figure à l'annexe A a force de loi au Canada au même titre que la version anglaise correspondante.

Short title

4. This Act may be cited as the *Canada Act*.

Titre abrégé

4. Titre abrégé de la présente loi : *Loi sur le Canada*.

SCHEDULE B

CONSTITUTION ACT, 1981

PART I

CANADIAN CHARTER OF RIGHTS AND FREEDOMS

Whereas Canada is founded upon principles that recognize the supremacy of God and the rule of law:

Guarantee of Rights and Freedoms

Rights and freedoms in Canada

1. The *Canadian Charter of Rights and Freedoms* guarantees the rights and freedoms set out in it subject only to such reasonable limits prescribed by law as can be demonstrably justified in a free and democratic society.

Fundamental Freedoms

Fundamental freedoms

2. Everyone has the following fundamental freedoms:

(*a*) freedom of conscience and religion;

(*b*) freedom of thought, belief, opinion and expression, including freedom of the press and other media of communication;

(*c*) freedom of peaceful assembly; and

(*d*) freedom of association.

Democratic Rights

Democratic rights of citizens

3. Every citizen of Canada has the right to vote in an election of members of the House of Commons or of a legislative assembly and to be qualified for membership therein.

Maximum duration of legislative bodies

4. (1) No House of Commons and no legislative assembly shall continue for longer than five years from the date fixed for the return of the writs at a general election of its members.

Continuation in special circumstances

(2) In time of real or apprehended war, invasion or insurrection, a House of Commons may be continued by Parliament and a legislative assembly may be continued by the legislature beyond five years if such continuation is not opposed by the votes of more than one-third of the members of the House

ANNEXE B

LOI CONSTITUTIONNELLE DE 1981

PARTIE I

CHARTE CANADIENNE DES DROITS ET LIBERTÉS

Attendu que le Canada est fondé sur des principes qui reconnaissent la suprématie de Dieu et la primauté du droit :

Garantie des droits et libertés

Droits et libertés au Canada

1. La *Charte canadienne des droits et libertés* garantit les droits et libertés qui y sont énoncés. Ils ne peuvent être restreints que par une règle de droit, dans des limites qui soient raisonnables et dont la justification puisse se démontrer dans le cadre d'une société libre et démocratique.

Libertés fondamentales

Libertés fondamentales

2. Chacun a les libertés fondamentales suivantes :

a) liberté de conscience et de religion;

b) liberté de pensée, de croyance, d'opinion et d'expression, y compris la liberté de la presse et des autres moyens de communication;

c) liberté de réunion pacifique;

d) liberté d'association.

Droits démocratiques

Droits démocratiques des citoyens

3. Tout citoyen canadien a le droit de vote et est éligible aux élections législatives fédérales ou provinciales.

Mandat maximal des assemblées

4. (1) Le mandat maximal de la Chambre des communes et des assemblées législatives est de cinq ans à compter de la date fixée pour le retour des brefs relatifs aux élections générales correspondantes.

Prolongations spéciales

(2) Le mandat de la Chambre des communes ou celui d'une assemblée législative peut être prolongé respectivement par le Parlement ou par la législature en question au-delà de cinq ans en cas de guerre, d'invasion ou d'insurrection, réelles ou appréhendées, pourvu que cette prolongation ne fasse pas

of Commons or the legislative assembly, as the case may be.

l'objet d'une opposition exprimée par les voix de plus du tiers des députés de la Chambre des communes ou de l'assemblée législative.

Annual sitting of legislative bodies

5. There shall be a sitting of Parliament and of each legislature at least once every twelve months.

Séance annuelle

5. Le Parlement et les législatures tiennent une séance au moins une fois tous les douze mois.

Mobility Rights

Liberté de circulation et d'établissement

Mobility of citizens

6. (1) Every citizen of Canada has the right to enter, remain in and leave Canada.

Liberté de circulation

6. (1) Tout citoyen canadien a le droit de demeurer au Canada, d'y entrer ou d'en sortir.

Rights to move and gain livelihood

(2) Every citizen of Canada and every person who has the status of a permanent resident of Canada has the right

(*a*) to move to and take up residence in any province; and

(*b*) to pursue the gaining of a livelihood in any province.

Liberté d'établissement

(2) Tout citoyen canadien et toute personne ayant le statut de résident permanent au Canada ont le droit :

a) de se déplacer dans tout le pays et d'établir leur résidence dans toute province;

b) de gagner leur vie dans toute province.

Limitation

(3) The rights specified in subsection (2) are subject to

(*a*) any laws or practices of general application in force in a province other than those that discriminate among persons primarily on the basis of province of present or previous residence; and

(*b*) any laws providing for reasonable residency requirements as a qualification for the receipt of publicly provided social services.

Restriction

(3) Les droits mentionnés au paragraphe (2) sont subordonnés :

a) aux lois et usages d'application générale en vigueur dans une province donnée, s'ils n'établissent entre les personnes aucune distinction fondée principalement sur la province de résidence antérieure ou actuelle;

b) aux lois prévoyant de justes conditions de résidence en vue de l'obtention des services sociaux publics.

Affirmative action programs

(4) Subsections (2) and (3) do not preclude any law, program or activity that has as its object the amelioration in a province of conditions of individuals in that province who are socially or economically disadvantaged if the rate of employment in that province is below the rate of employment in Canada.

Programmes de promotion sociale

(4) Les paragraphes (2) et (3) n'ont pas pour objet d'interdire les lois, programmes ou activités destinés à améliorer, dans une province, la situation d'individus défavorisés socialement ou économiquement, si le taux d'emploi dans la province est inférieur à la moyenne nationale.

Legal Rights

Garanties juridiques

Life, liberty and security of person

7. Everyone has the right to life, liberty and security of the person and the right not to be deprived thereof except in accordance with the principles of fundamental justice.

Vie, liberté et sécurité

7. Chacun a droit à la vie, à la liberté et à la sécurité de sa personne; il ne peut être porté atteinte à ce droit qu'en conformité avec les principes de justice fondamentale.

Search or seizure

8. Everyone has the right to be secure against unreasonable search or seizure.

Fouilles, perquisitions ou saisies

8. Chacun a droit à la protection contre les fouilles, les perquisitions ou les saisies abusives.

Detention or imprisonment

9. Everyone has the right not to be arbitrarily detained or imprisoned.

Détention ou emprisonnement

9. Chacun a droit à la protection contre la détention ou l'emprisonnement arbitraires.

S.O. 21(2)

Arrest or detention

10. Everyone has the right on arrest or detention

(*a*) to be informed promptly of the reasons therefor;

(*b*) to retain and instruct counsel without delay and to be informed of that right; and

(*c*) to have the validity of the detention determined by way of *habeas corpus* and to be released if the detention is not lawful.

Arrestation ou détention

10. Chacun a le droit, en cas d'arrestation ou de détention :

a) d'être informé dans les plus brefs délais des motifs de son arrestation ou de sa détention;

b) d'avoir recours sans délai à l'assistance d'un avocat et d'être informé de ce droit;

c) de faire contrôler, par *habeas corpus*, la légalité de sa détention et d'obtenir, le cas échéant, sa libération.

Proceedings in criminal and penal matters

11. Any person charged with an offence has the right

(*a*) to be informed without unreasonable delay of the specific offence;

(*b*) to be tried within a reasonable time;

(*c*) not to be compelled to be a witness in proceedings against that person in respect of the offence;

(*d*) to be presumed innocent until proven guilty according to law in a fair and public hearing by an independent and impartial tribunal;

(*e*) not to be denied reasonable bail without just cause;

(*f*) except in the case of an offence under military law tried before a military tribunal, to the benefit of trial by jury where the maximum punishment for the offence is imprisonment for five years or a more severe punishment;

(*g*) not to be found guilty on account of any act or omission unless, at the time of the act or omission, it constituted an offence under Canadian or international law or was criminal according to the general principles of law recognized by the community of nations;

(*h*) if finally acquitted of the offence, not to be tried for it again and, if finally found guilty and punished for the offence, not to be tried or punished for it again; and

(*i*) if found guilty of the offence and if the punishment for the offence has been varied between the time of commission and the time of sentencing, to the benefit of the lesser punishment.

Affaires criminelles et pénales

11. Tout inculpé a le droit :

a) d'être informé sans délai anormal de l'infraction précise qu'on lui reproche;

b) d'être jugé dans un délai raisonnable;

c) de ne pas être contraint de témoigner contre lui-même dans toute poursuite intentée contre lui pour l'infraction qu'on lui reproche;

d) d'être présumé innocent tant qu'il n'est pas déclaré coupable, conformément à la loi, par un tribunal indépendant et impartial à l'issue d'un procès public et équitable;

e) de ne pas être privé sans juste cause d'une mise en liberté assortie d'un cautionnement raisonnable;

f) sauf s'il s'agit d'une infraction relevant de la justice militaire, de bénéficier d'un procès avec jury lorsque la peine maximale prévue pour l'infraction dont il est accusé est un emprisonnement de cinq ans ou une peine plus grave;

g) de ne pas être déclaré coupable en raison d'une action ou d'une omission qui, au moment où elle est survenue, ne constituait pas une infraction d'après le droit interne du Canada ou le droit international et n'avait pas de caractère criminel d'après les principes généraux de droit reconnus par l'ensemble des nations;

h) d'une part de ne pas être jugé de nouveau pour une infraction dont il a été définitivement acquitté, d'autre part de ne pas être jugé ni puni de nouveau pour une infraction dont il a été définitivement déclaré coupable et puni;

i) de bénéficier de la peine la moins sévère, lorsque la peine qui sanctionne l'infraction dont il est déclaré coupable est

modifiée entre le moment de la perpétration de l'infraction et celui de la sentence.

Treatment or punishment

12. Everyone has the right not to be subjected to any cruel and unusual treatment or punishment.

12. Chacun a droit à la protection contre tous traitements ou peines cruels et inusités.

Cruauté

Self-crimination

13. A witness who testifies in any proceedings has the right not to have any incriminating evidence so given used to incriminate that witness in any other proceedings, except in a prosecution for perjury or for the giving of contradictory evidence.

13. Chacun a droit à ce qu'aucun témoignage incriminant qu'il donne ne soit utilisé pour l'incriminer dans d'autres procédures, sauf lors de poursuites pour parjure ou pour témoignages contradictoires.

Témoignage incriminant

Interpreter

14. A party or witness in any proceedings who does not understand or speak the language in which the proceedings are conducted or who is deaf has the right to the assistance of an interpreter.

14. La partie ou le témoin qui ne peuvent suivre les procédures, soit parce qu'ils ne comprennent pas ou ne parlent pas la langue employée, soit parce qu'ils sont atteints de surdité, ont droit à l'assistance d'un interprète.

Interprète

Equality Rights

Droits à l'égalité

Equality before and under law and equal protection and benefit of law

15. (1) Every individual is equal before and under the law and has the right to the equal protection and equal benefit of the law without discrimination and, in particular, without discrimination based on race, national or ethnic origin, colour, religion, sex, age or mental or physical disability.

15. (1) La loi ne fait acception de personne et s'applique également à tous, et tous ont droit à la même protection et au même bénéfice de la loi, indépendamment de toute discrimination, notamment des discriminations fondées sur la race, l'origine nationale ou ethnique, la couleur, la religion, le sexe, l'âge ou les déficiences mentales ou physiques.

Égalité devant la loi, égalité de bénéfice et protection égale de la loi

Affirmative action programs

(2) Subsection (1) does not preclude any law, program or activity that has as its object the amelioration of conditions of disadvantaged individuals or groups including those that are disadvantaged because of race, national or ethnic origin, colour, religion, sex, age or mental or physical disability.

(2) Le paragraphe (1) n'a pas pour effet d'interdire les lois, programmes ou activités destinés à améliorer la situation d'individus ou de groupes défavorisés, notamment du fait de leur race, de leur origine nationale ou ethnique, de leur couleur, de leur religion, de leur sexe, de leur âge ou de leurs déficiences mentales ou physiques.

Programmes de promotion sociale

Official Languages of Canada

Langues officielles du Canada

Official languages of Canada

16. (1) English and French are the official languages of Canada and have equality of status and equal rights and privileges as to their use in all institutions of the Parliament and government of Canada.

16. (1) Le français et l'anglais sont les langues officielles du Canada; ils ont un statut et des droits et privilèges égaux quant à leur usage dans les institutions du Parlement et du gouvernement du Canada.

Langues officielles du Canada

Official languages of New Brunswick

(2) English and French are the official languages of New Brunswick and have equality of status and equal rights and privileges as to their use in all institutions of the

(2) Le français et l'anglais sont les langues officielles du Nouveau-Brunswick; ils ont un statut et des droits et privilèges égaux quant à leur usage dans les institutions de la Légis-

Langues officielles du Nouveau-Brunswick

legislature and government of New Brunswick.

lature et du gouvernement du Nouveau-Brunswick.

Advancement of status and use

(3) Nothing in this Charter limits the authority of Parliament or a legislature to advance the equality of status or use of English and French.

(3) La présente charte ne limite pas le pouvoir du Parlement et des législatures de favoriser la progression vers l'égalité de statut ou d'usage du français et de l'anglais.

Progression vers l'égalité

Proceedings of Parliament

17. (1) Everyone has the right to use English or French in any debates and other proceedings of Parliament.

17. (1) Chacun a le droit d'employer le français ou l'anglais dans les débats et travaux du Parlement.

Travaux du Parlement

Proceedings of New Brunswick legislature

(2) Everyone has the right to use English or French in any debates and other proceedings of the legislature of New Brunswick.

(2) Chacun a le droit d'employer le français ou l'anglais dans les débats et travaux de la Législature du Nouveau-Brunswick.

Travaux de la Législature du Nouveau-Brunswick

Parliamentary statutes and records

18. (1) The statutes, records and journals of Parliament shall be printed and published in English and French and both language versions are equally authoritative.

18. (1) Les lois, les archives, les comptes rendus et les procès-verbaux du Parlement sont imprimés et publiés en français et en anglais, les deux versions des lois ayant également force de loi et celles des autres documents ayant même valeur.

Documents parlementaires

New Brunswick statutes and records

(2) The statutes, records and journals of the legislature of New Brunswick shall be printed and published in English and French and both language versions are equally authoritative.

(2) Les lois, les archives, les comptes rendus et les procès-verbaux de la Législature du Nouveau-Brunswick sont imprimés et publiés en français et en anglais, les deux versions des lois ayant également force de loi et celles des autres documents ayant même valeur.

Documents de la Législature du Nouveau-Brunswick

Proceedings in courts established by Parliament

19. (1) Either English or French may be used by any person in, or in any pleading in or process issuing from, any court established by Parliament.

19. (1) Chacun a le droit d'employer le français ou l'anglais dans toutes les affaires dont sont saisis les tribunaux établis par le Parlement et dans tous les actes de procédure qui en découlent.

Procédures devant les tribunaux établis par le Parlement

Proceedings in New Brunswick courts

(2) Either English or French may be used by any person in, or in any pleading in or process issuing from, any court of New Brunswick.

(2) Chacun a le droit d'employer le français ou l'anglais dans toutes les affaires dont sont saisis les tribunaux du Nouveau-Brunswick et dans tous les actes de procédure qui en découlent.

Procédures devant les tribunaux du Nouveau-Brunswick

Communications by public with federal institutions

20. (1) Any member of the public in Canada has the right to communicate with, and to receive available services from, any head or central office of an institution of the Parliament or government of Canada in English or French, and has the same right with respect to any other office of any such institution where

(*a*) there is a significant demand for communications with and services from that office in such language; or

20. (1) Le public a, au Canada, droit à l'emploi du français ou de l'anglais pour communiquer avec le siège ou l'administration centrale des institutions du Parlement ou du gouvernement du Canada ou pour en recevoir les services; il a le même droit à l'égard de tout autre bureau de ces institutions là où, selon le cas :

a) l'emploi du français ou de l'anglais fait l'objet d'une demande importante;

b) l'emploi du français et de l'anglais se justifie par la vocation du bureau.

Communications entre les administrés et les institutions fédérales

(*b*) due to the nature of the office, it is reasonable that communications with and services from that office be available in both English and French.

Communications by public with New Brunswick institutions

(2) Any member of the public in New Brunswick has the right to communicate with, and to receive available services from, any office of an institution of the legislature or government of New Brunswick in English or French.

(2) Le public a, au Nouveau-Brunswick, droit à l'emploi du français ou de l'anglais pour communiquer avec tout bureau des institutions de la législature ou du gouvernement ou pour en recevoir les services.

Communications entre les administrés et les institutions du Nouveau-Brunswick

Continuation of existing constitutional provisions

21. Nothing in sections 16 to 20 abrogates or derogates from any right, privilege or obligation with respect to the English and French languages, or either of them, that exists or is continued by virtue of any other provision of the Constitution of Canada.

21. Les articles 16 à 20 n'ont pas pour effet, en ce qui a trait à la langue française ou anglaise ou à ces deux langues, de porter atteinte aux droits, privilèges ou obligations qui existent ou sont maintenus aux termes d'une autre disposition de la Constitution du Canada.

Maintien en vigueur de certaines dispositions

Rights and privileges preserved

22. Nothing in sections 16 to 20 abrogates or derogates from any legal or customary right or privilege acquired or enjoyed either before or after the coming into force of this Charter with respect to any language that is not English or French.

22. Les articles 16 à 20 n'ont pas pour effet de porter atteinte aux droits et privilèges, antérieurs ou postérieurs à l'entrée en vigueur de la présente charte et découlant de la loi ou de la coutume, des langues autres que le français ou l'anglais.

Droits préservés

Minority Language Educational Rights

Droits à l'instruction dans la langue de la minorité

Language of instruction

23. (1) Citizens of Canada

(*a*) whose first language learned and still understood is that of the English or French linguistic minority population of the province in which they reside, or

(*b*) who have received their primary school instruction in Canada in English or French and reside in a province where the language in which they received that instruction is the language of the English or French linguistic minority population of the province,

have the right to have their children receive primary and secondary school instruction in that language in that province.

23. (1) Les citoyens canadiens :

a) dont la première langue apprise et encore comprise est celle de la minorité francophone ou anglophone de la province où ils résident,

b) qui ont reçu leur instruction, au niveau primaire, en français ou en anglais au Canada et qui résident dans une province où la langue dans laquelle ils ont reçu cette instruction est celle de la minorité francophone ou anglophone de la province,

ont, dans l'un ou l'autre cas, le droit d'y faire instruire leurs enfants, aux niveaux primaire et secondaire, dans cette langue.

Langue d'instruction

Continuity of language instruction

(2) Citizens of Canada of whom any child has received or is receiving primary or secondary school instruction in English or French in Canada, have the right to have all their children receive primary and secondary school instruction in the same language.

(2) Les citoyens canadiens dont un enfant a reçu ou reçoit son instruction, au niveau primaire ou secondaire, en français ou en anglais au Canada ont le droit de faire instruire tous leurs enfants, aux niveaux primaire et secondaire, dans la langue de cette instruction.

Continuité d'emploi de la langue d'instruction

Application where numbers warrant

(3) The right of citizens of Canada under subsections (1) and (2) to have their children receive primary and secondary school instruction in the language of the English or French linguistic minority population of a province

(*a*) applies wherever in the province the number of children of citizens who have such a right is sufficient to warrant the provision to them out of public funds of minority language instruction; and

(*b*) includes, where the number of those children so warrants, the right to have them receive that instruction in minority language educational facilities provided out of public funds.

Justification par le nombre

(3) Le droit reconnu aux citoyens canadiens par les paragraphes (1) et (2) de faire instruire leurs enfants, aux niveaux primaire et secondaire, dans la langue de la minorité francophone ou anglophone d'une province :

a) s'exerce partout dans la province où le nombre des enfants des citoyens qui ont ce droit est suffisant pour justifier à leur endroit la prestation, sur les fonds publics, de l'instruction dans la langue de la minorité;

b) comprend, lorsque le nombre de ces enfants le justifie, le droit de les faire instruire dans des établissements d'enseignement de la minorité linguistique financés sur les fonds publics.

Enforcement

Recours

Enforcement of guaranteed rights and freedoms

24. (1) Anyone whose rights or freedoms, as guaranteed by this Charter, have been infringed or denied may apply to a court of competent jurisdiction to obtain such remedy as the court considers appropriate and just in the circumstances.

Recours en cas d'atteinte aux droits et libertés

24. (1) Toute personne, victime de violation ou de négation des droits ou libertés qui lui sont garantis par la présente charte, peut s'adresser à un tribunal compétent pour obtenir la réparation que le tribunal estime convenable et juste eu égard aux circonstances.

Exclusion of evidence bringing administration of justice into disrepute

(2) Where, in proceedings under subsection (1), a court concludes that evidence was obtained in a manner that infringed or denied any rights or freedoms guaranteed by this Charter, the evidence shall be excluded if it is established that, having regard to all the circumstances, the admission of it in the proceedings would bring the administration of justice into disrepute.

Irrecevabilité d'éléments de preuve qui risqueraient de déconsidérer l'administration de la justice

(2) Lorsque, dans une instance visée au paragraphe (1), le tribunal a conclu que des éléments de preuve ont été obtenus dans des conditions qui portent atteinte aux droits ou libertés garantis par la présente charte, ces éléments de preuve sont écartés s'il est établi, eu égard aux circonstances, que leur utilisation est susceptible de déconsidérer l'administration de la justice.

General

Dispositions générales

Aboriginal rights and freedoms not affected by Charter

25. The guarantee in this Charter of certain rights and freedoms shall not be construed so as to abrogate or derogate from any aboriginal, treaty or other rights or freedoms that pertain to the aboriginal peoples of Canada including

(*a*) any rights or freedoms that have been recognized by the Royal Proclamation of October 7, 1763; and

(*b*) any rights or freedoms that may be acquired by the aboriginal peoples of Canada by way of land claims settlement.

Maintien des droits et libertés des autochtones

25. Le fait que la présente charte garantit certains droits et libertés ne porte pas atteinte aux droits ou libertés — ancestraux, issus de traités ou autres — des peuples autochtones du Canada, notamment :

a) aux droits ou libertés reconnus par la Proclamation royale du 7 octobre 1763;

b) aux droits ou libertés acquis par règlement de revendications territoriales.

Other rights and freedoms not affected by Charter

26. The guarantee in this Charter of certain rights and freedoms shall not be con-

Maintien des autres droits et libertés

26. Le fait que la présente charte garantit certains droits et libertés ne constitue pas

strued as denying the existence of any other rights or freedoms that exist in Canada.

une négation des autres droits ou libertés qui existent au Canada.

Multicultural heritage

27. This Charter shall be interpreted in a manner consistent with the preservation and enhancement of the multicultural heritage of Canadians.

27. Toute interprétation de la présente charte doit concorder avec l'objectif de promouvoir le maintien et la valorisation du patrimoine multiculturel des Canadiens.

Maintien du patrimoine culturel

Rights guaranteed equally to both sexes

28. Notwithstanding anything in this Charter except section 33, the rights and freedoms referred to in it are guaranteed equally to male and female persons.

28. Indépendamment des autres dispositions de la présente charte, exception faite de l'article 33, les droits et libertés qui y sont mentionnés sont garantis également aux personnes des deux sexes.

Égalité de garantie des droits pour les deux sexes

Rights respecting certain schools preserved

29. Nothing in this Charter abrogates or derogates from any rights or privileges guaranteed by or under the Constitution of Canada in respect of denominational, separate or dissentient schools.

29. Les dispositions de la présente charte ne portent pas atteinte aux droits ou privilèges garantis en vertu de la Constitution du Canada concernant les écoles séparées et autres écoles confessionnelles.

Maintien des droits relatifs à certaines écoles

Application to territories and territorial authorities

30. A reference in this Charter to a province or to the legislative assembly or legislature of a province shall be deemed to include a reference to the Yukon Territory and the Northwest Territories, or to the appropriate legislative authority thereof, as the case may be.

30. Dans la présente charte, les dispositions qui visent les provinces, leur législature ou leur assemblée législative visent également le territoire du Yukon, les territoires du Nord-Ouest ou leurs autorités législatives compétentes.

Application aux territoires

Legislative powers not extended

31. Nothing in this Charter extends the legislative powers of any body or authority.

31. La présente charte n'élargit pas les compétences législatives de quelque organisme ou autorité que ce soit.

Non-élargissement des compétences législatives

Application of Charter

Application de la charte

Application of Charter

32. (1) This Charter applies

(*a*) to the Parliament and government of Canada in respect of all matters within the authority of Parliament including all matters relating to the Yukon Territory and Northwest Territories; and

(*b*) to the legislature and government of each province in respect of all matters within the authority of the legislature of each province.

32. (1) La présente charte s'applique :

a) au Parlement et au gouvernement du Canada, pour tous les domaines relevant du Parlement, y compris ceux qui concernent le territoire du Yukon et les territoires du Nord-Ouest;

b) à la législature et au gouvernement de chaque province, pour tous les domaines relevant de cette législature.

Application de la charte

Exception

(2) Notwithstanding subsection (1), section 15 shall not have effect until three years after this section comes into force.

(2) Par dérogation au paragraphe (1), l'article 15 n'a d'effet que trois ans après l'entrée en vigueur du présent article.

Restriction

Exception where express declaration

33. (1) Parliament or the legislature of a province may expressly declare in an Act of Parliament or of the legislature, as the case may be, that the Act or a provision thereof shall operate notwithstanding a provision included in section 2 or sections 7 to 15 of

33. (1) Le Parlement ou la législature d'une province peut adopter une loi où il est expressément déclaré que celle-ci ou une de ses dispositions a effet indépendamment d'une disposition donnée de l'article 2 ou des articles 7 à 15 de la présente charte, ou de

Dérogation par déclaration expresse

this Charter, or section 28 of this Charter in its application to discrimination based on sex referred to in section 15.

l'article 28 de cette charte dans son application à la discrimination fondée sur le sexe et mentionnée à l'article 15.

Operation of exception

(2) An Act or a provision of an Act in respect of which a declaration made under this section is in effect shall have such operation as it would have but for the provision of this Charter referred to in the declaration.

(2) La loi ou la disposition qui fait l'objet d'une déclaration conforme au présent article et en vigueur a l'effet qu'elle aurait sauf la disposition en cause de la charte.

Effet de la dérogation

Five year limitation

(3) A declaration made under subsection (1) shall cease to have effect five years after it comes into force or on such earlier date as may be specified in the declaration.

(3) La déclaration visée au paragraphe (1) cesse d'avoir effet à la date qui y est précisée ou, au plus tard, cinq ans après son entrée en vigueur.

Durée de validité

Re-enactment

(4) Parliament or a legislature of a province may re-enact a declaration made under subsection (1).

(4) Le Parlement ou une législature peut adopter de nouveau une déclaration visée au paragraphe (1).

Nouvelle adoption

Five year limitation

(5) Subsection (3) applies in respect of a re-enactment made under subsection (4).

(5) Le paragraphe (3) s'applique à toute déclaration adoptée sous le régime du paragraphe (4).

Durée de validité

Citation

Titre

Citation

34. This Part may be cited as the *Canadian Charter of Rights and Freedoms*.

34. Titre de la présente partie : *Charte canadienne des droits et libertés*.

Titre

PART II

PARTIE II

EQUALIZATION AND REGIONAL DISPARITIES

PÉRÉQUATION ET INÉGALITÉS RÉGIONALES

Commitment to promote equal opportunities

35. (1) Without altering the legislative authority of Parliament or of the provincial legislatures, or the rights of any of them with respect to the exercise of their legislative authority, Parliament and the legislatures, together with the government of Canada and the provincial governments, are committed to

(*a*) promoting equal opportunities for the well-being of Canadians;

(*b*) furthering economic development to reduce disparity in opportunities; and

(*c*) providing essential public services of reasonable quality to all Canadians.

35. (1) Sous réserve des compétences législatives du Parlement et des législatures et de leur droit de les exercer, le Parlement et les législatures, ainsi que les gouvernements fédéral et provinciaux, s'engagent à :

a) promouvoir l'égalité des chances de tous les Canadiens dans la recherche de leur bien-être;

b) favoriser le développement économique pour réduire l'inégalité des chances;

c) fournir à tous les Canadiens, à un niveau de qualité acceptable, les services publics essentiels.

Engagements relatifs à l'égalité des chances

Commitment respecting public services

(2) Parliament and the government of Canada are committed to the principle of making equalization payments to ensure that provincial governments have sufficient revenues to provide reasonably comparable levels of public services at reasonably comparable levels of taxation.

(2) Le Parlement et le gouvernement du Canada prennent l'engagement de principe de faire des paiements de péréquation propres à donner aux gouvernements provinciaux des revenus suffisants pour les mettre en mesure d'assurer les services publics à un niveau de qualité et de fiscalité sensiblement comparables.

Engagement relatif aux services publics

S.O. 21(2)

PART III

CONSTITUTIONAL CONFERENCE

Constitutional conference

36. (1) A constitutional conference composed of the Prime Minister of Canada and the first ministers of the provinces shall be convened by the Prime Minister of Canada within one year after this Part comes into force.

Participation of aboriginal peoples

(2) The conference convened under subsection (1) shall have included in its agenda an item respecting constitutional matters that directly affect the aboriginal peoples of Canada, including the identification and definition of the rights of those peoples to be included in the Constitution of Canada, and the Prime Minister of Canada shall invite representatives of those peoples to participate in the discussions on that item.

Participation of territories

(3) The Prime Minister of Canada shall invite elected representatives of the governments of the Yukon Territory and the Northwest Territories to participate in the discussions on any item on the agenda of the conference convened under subsection (1) that, in the opinion of the Prime Minister, directly affects the Yukon Territory and the Northwest Territories.

PARTIE III

CONFÉRENCE CONSTITUTIONNELLE

Conférence constitutionnelle

36. (1) Dans l'année suivant l'entrée en vigueur de la présente partie, le premier ministre du Canada convoque une conférence constitutionnelle réunissant les premiers ministres provinciaux et lui-même.

Participation des peuples autochtones

(2) Sont placées à l'ordre du jour de la conférence visée au paragraphe (1) les questions constitutionnelles qui intéressent directement les peuples autochtones du Canada, notamment la détermination et la définition des droits de ces peuples à inscrire dans la Constitution du Canada. Le premier ministre du Canada invite leurs représentants à participer aux travaux relatifs à ces questions.

Participation des territoires

(3) Le premier ministre du Canada invite des représentants élus des gouvernements du territoire du Yukon et des territoires du Nord-Ouest à participer aux travaux relatifs à toute question placée à l'ordre du jour de la conférence visée au paragraphe (1) et qui, selon lui, intéresse directement le territoire du Yukon et les territoires du Nord-Ouest.

PART IV

PROCEDURE FOR AMENDING CONSTITUTION OF CANADA

General procedure for amending Constitution of Canada

37. (1) An amendment to the Constitution of Canada may be made by proclamation issued by the Governor General under the Great Seal of Canada where so authorized by

(*a*) resolutions of the Senate and House of Commons; and

(*b*) resolutions of the legislative assemblies of at least two-thirds of the provinces that have, in the aggregate, according to the then latest general census, at least fifty per cent of the population of all the provinces.

Majority of members

(2) An amendment made under subsection (1) that derogates from the legislative powers, the proprietary rights or any other rights or privileges of the legislature or gov-

PARTIE IV

PROCÉDURE DE MODIFICATION DE LA CONSTITUTION DU CANADA

Procédure normale de modification

37. (1) La Constitution du Canada peut être modifiée par proclamation du gouverneur général sous le grand sceau du Canada, autorisée à la fois :

a) par des résolutions du Sénat et de la Chambre des communes;

b) par des résolutions des assemblées législatives d'au moins deux tiers des provinces dont la population confondue représente, selon le recensement général le plus récent à l'époque, au moins cinquante pour cent de la population de toutes les provinces.

Majorité simple

(2) Une modification faite conformément au paragraphe (1) mais dérogatoire à la compétence législative, aux droits de propriété ou à tous autres droits ou privilèges

ernment of a province shall require a resolution supported by a majority of the members of each of the Senate, the House of Commons and the legislative assemblies required under subsection (1).

d'une législature ou d'un gouvernement provincial exige une résolution adoptée à la majorité des sénateurs, des députés fédéraux et des députés de chacune des assemblées législatives du nombre requis de provinces.

Expression of dissent

(3) An amendment referred to in subsection (2) shall not have effect in a province the legislative assembly of which has expressed its dissent thereto by resolution supported by a majority of its members prior to the issue of the proclamation to which the amendment relates unless that legislative assembly, subsequently, by resolution supported by a majority of its members, revokes its dissent and authorizes the amendment.

Désaccord

(3) La modification visée au paragraphe (2) est sans effet dans une province dont l'assemblée législative a, avant la prise de la proclamation, exprimé son désaccord par une résolution adoptée à la majorité des députés, sauf si cette assemblée, par résolution également adoptée à la majorité, revient sur son désaccord et autorise la modification.

Revocation of dissent

(4) A resolution of dissent made for the purposes of subsection (3) may be revoked at any time before or after the issue of the proclamation to which it relates.

Levée du désaccord

(4) La résolution de désaccord visée au paragraphe (3) peut être révoquée à tout moment, indépendamment de la date de la proclamation à laquelle elle se rapporte.

Restriction on proclamation

38. (1) A proclamation shall not be issued under subsection 37(1) before the expiration of one year from the adoption of the resolution initiating the amendment procedure thereunder, unless the legislative assembly of each province has previously adopted a resolution of assent or dissent.

Restriction

38. (1) La proclamation visée au paragraphe 37(1) ne peut être prise dans l'année suivant l'adoption de la résolution à l'origine de la procédure de modification que si l'assemblée législative de chaque province a préalablement adopté une résolution d'agrément ou de désaccord.

Idem

(2) A proclamation shall not be issued under subsection 37(1) after the expiration of three years from the adoption of the resolution initiating the amendment procedure thereunder.

Idem

(2) La proclamation visée au paragraphe 37(1) ne peut être prise que dans les trois ans suivant l'adoption de la résolution à l'origine de la procédure de modification.

Compensation

39. Where an amendment is made under subsection 37(1) that transfers provincial legislative powers relating to education or other cultural matters from provincial legislatures to Parliament, Canada shall provide reasonable compensation to any province to which the amendment does not apply.

Compensation

39. Le Canada fournit une juste compensation aux provinces auxquelles ne s'applique pas une modification faite conformément au paragraphe 37(1) et relative, en matière d'éducation ou dans d'autres domaines culturels, à un transfert de compétences législatives provinciales au Parlement.

Amendment by unanimous consent

40. An amendment to the Constitution of Canada in relation to the following matters may be made by proclamation issued by the Governor General under the Great Seal of Canada only where authorized by resolutions of the Senate and House of Commons and of the legislative assembly of each province:

(*a*) the office of the Queen, the Governor General and the Lieutenant Governor of a province;

Consentement unanime

40. Toute modification de la Constitution du Canada portant sur les questions suivantes se fait par proclamation du gouverneur général sous le grand sceau du Canada, autorisée par des résolutions du Sénat, de la Chambre des communes et de l'assemblée législative de chaque province :

a) la charge de Reine, celle de gouverneur général et celle de lieutenant-gouverneur;

(*b*) the right of a province to a number of members in the House of Commons not less than the number of Senators by which the province is entitled to be represented at the time this Part comes into force;

(*c*) subject to section 42, the use of the English or the French language;

(*d*) the composition of the Supreme Court of Canada; and

(*e*) an amendment to this Part.

b) le droit d'une province d'avoir à la Chambre des communes un nombre de députés au moins égal à celui des sénateurs par lesquels elle est habilitée à être représentée lors de l'entrée en vigueur de la présente partie;

c) sous réserve de l'article 42, l'usage du français ou de l'anglais;

d) la composition de la Cour suprême du Canada;

e) la modification de la présente partie.

Amendment by general procedure

41. (1) An amendment to the Constitution of Canada in relation to the following matters may be made only in accordance with subsection 37(1):

(*a*) the principle of proportionate representation of the provinces in the House of Commons prescribed by the Constitution of Canada;

(*b*) the powers of the Senate and the method of selecting Senators;

(*c*) the number of members by which a province is entitled to be represented in the Senate and the residence qualifications of Senators;

(*d*) subject to paragraph 40(*d*), the Supreme Court of Canada;

(*e*) the extension of existing provinces into the territories; and

(*f*) notwithstanding any other law or practice, the establishment of new provinces.

Procédure normale de modification

41. (1) Toute modification de la Constitution du Canada portant sur les questions suivantes se fait conformément au paragraphe 37(1) :

a) le principe de la représentation proportionnelle des provinces à la Chambre des communes prévu par la Constitution du Canada;

b) les pouvoirs du Sénat et le mode de sélection des sénateurs;

c) le nombre des sénateurs par lesquels une province est habilitée à être représentée et les conditions de résidence qu'ils doivent remplir;

d) sous réserve de l'alinéa 40*d*), la Cour suprême du Canada;

e) le rattachement aux provinces existantes de tout ou partie des territoires;

f) par dérogation à toute autre loi ou usage, la création de provinces.

Exception

(2) Subsections 37(2) to (4) do not apply in respect of amendments in relation to matters referred to in subsection (1).

Exception

(2) Les paragraphes 37(2) à (4) ne s'appliquent pas aux questions mentionnées au paragraphe (1).

Amendment of provisions relating to some but not all provinces

42. An amendment to the Constitution of Canada in relation to any provision that applies to one or more, but not all, provinces, including

(*a*) any alteration to boundaries between provinces, and

(*b*) any amendment to any provision that relates to the use of the English or the French language within a province,

may be made by proclamation issued by the Governor General under the Great Seal of Canada only where so authorized by resolutions of the Senate and House of Commons

Modification à l'égard de certaines provinces

42. Les dispositions de la Constitution du Canada applicables à certaines provinces seulement ne peuvent être modifiées que par proclamation du gouverneur général sous le grand sceau du Canada, autorisée par des résolutions du Sénat, de la Chambre des communes et de l'assemblée législative de chaque province concernée. Le présent article s'applique notamment :

a) aux changements du tracé des frontières interprovinciales;

b) aux modifications des dispositions relatives à l'usage du français ou de l'anglais dans une province.

and of the legislative assembly of each province to which the amendment applies.

Amendments by Parliament

43. Subject to sections 40 and 41, Parliament may exclusively make laws amending the Constitution of Canada in relation to the executive government of Canada or the Senate and House of Commons.

Modification par le Parlement

43. Sous réserve des articles 40 et 41, le Parlement a compétence exclusive pour modifier les dispositions de la Constitution du Canada relatives au pouvoir exécutif fédéral, au Sénat ou à la Chambre des communes.

Amendments by provincial legislatures

44. Subject to section 40, the legislature of each province may exclusively make laws amending the constitution of the province.

Modification par les législatures

44. Sous réserve de l'article 40, une législature a compétence exclusive pour modifier la constitution de sa province.

Initiation of amendment procedures

45. (1) The procedures for amendment under sections 37, 40, 41 and 42 may be initiated either by the Senate or the House of Commons or by the legislative assembly of a province.

Initiative des procédures

45. (1) L'initiative des procédures de modification visées aux articles 37, 40, 41 et 42 appartient au Sénat, à la Chambre des communes ou à une assemblée législative.

Revocation of authorization

(2) A resolution of assent made for the purposes of this Part may be revoked at any time before the issue of a proclamation authorized by it.

Possibilité de révocation

(2) Une résolution d'agrément adoptée dans le cadre de la présente partie peut être révoquée à tout moment avant la date de la proclamation qu'elle autorise.

Amendments without Senate resolution

46. (1) An amendment to the Constitution of Canada made by proclamation under section 37, 40, 41 or 42 may be made without a resolution of the Senate authorizing the issue of the proclamation if, within one hundred and eighty days after the adoption by the House of Commons of a resolution authorizing its issue, the Senate has not adopted such a resolution and if, at any time after the expiration of that period, the House of Commons again adopts the resolution.

Modification sans résolution du Sénat

46. (1) Dans les cas visés à l'article 37, 40, 41 ou 42, il peut être passé outre au défaut d'autorisation du Sénat si celui-ci n'a pas adopté de résolution dans un délai de cent quatre-vingts jours suivant l'adoption de celle de la Chambre des communes et si cette dernière, après l'expiration du délai, adopte une nouvelle résolution dans le même sens.

Computation of period

(2) Any period when Parliament is prorogued or dissolved shall not be counted in computing the one hundred and eighty day period referred to in subsection (1).

Computation du délai

(2) Dans la computation du délai visé au paragraphe (1), ne sont pas comptées les périodes pendant lesquelles le Parlement est prorogé ou dissous.

Advice to issue proclamation

47. The Queen's Privy Council for Canada shall advise the Governor General to issue a proclamation under this Part forthwith on the adoption of the resolutions required for an amendment made by proclamation under this Part.

Demande de proclamation

47. Le Conseil privé de la Reine pour le Canada demande au gouverneur général de prendre, conformément à la présente partie, une proclamation dès l'adoption des résolutions prévues par cette partie pour une modification par proclamation.

Constitutional conference

48. A constitutional conference composed of the Prime Minister of Canada and the first ministers of the provinces shall be convened by the Prime Minister of Canada within fifteen years after this Part comes into force to review the provisions of this Part.

Conférence constitutionnelle

48. Dans les quinze ans suivant l'entrée en vigueur de la présente partie, le premier ministre du Canada convoque une conférence constitutionnelle réunissant les premiers ministres provinciaux et lui-même, en vue du réexamen des dispositions de cette partie.

S.O. 21(2)

PART V

AMENDMENT TO THE CONSTITUTION ACT, 1867

Amendment to *Constitution Act, 1867*

49. The *Constitution Act, 1867* (formerly named the *British North America Act, 1867*) is amended by adding thereto, immediately after section 92 thereof, the following heading and section:

"*Non-Renewable Natural Resources, Forestry Resources and Electrical Energy*

Laws respecting non-renewable natural resources, forestry resources and electrical energy

92A. (1) In each province, the legislature may exclusively make laws in relation to

(*a*) exploration for non-renewable natural resources in the province;

(*b*) development, conservation and management of non-renewable natural resources and forestry resources in the province, including laws in relation to the rate of primary production therefrom; and

(*c*) development, conservation and management of sites and facilities in the province for the generation and production of electrical energy.

Export from provinces of resources

(2) In each province, the legislature may make laws in relation to the export from the province to another part of Canada of the primary production from non-renewable natural resources and forestry resources in the province and the production from facilities in the province for the generation of electrical energy, but such laws may not authorize or provide for discrimination in prices or in supplies exported to another part of Canada.

Authority of Parliament

(3) Nothing in subsection (2) derogates from the authority of Parliament to enact laws in relation to the matters referred to in that subsection and, where such a law of Parliament and a law of a province conflict, the law of Parliament prevails to the extent of the conflict.

PARTIE V

MODIFICATION DE LA LOI CONSTITUTIONNELLE DE 1867

Modification de la *Loi constitutionnelle de 1867*

49. La *Loi constitutionnelle de 1867* (antérieurement désignée sous le titre : *Acte de l'Amérique du Nord britannique, 1867*) est modifiée par insertion, après l'article 92, de la rubrique et de l'article suivants :

«*Ressources naturelles non renouvelables, ressources forestières et énergie électrique*

Compétence provinciale

92A. (1) La législature de chaque province a compétence exclusive pour légiférer dans les domaines suivants :

a) prospection des ressources naturelles non renouvelables de la province;

b) exploitation, conservation et gestion des ressources naturelles non renouvelables et des ressources forestières de la province, y compris leur rythme de production primaire;

c) aménagement, conservation et gestion des emplacements et des installations de la province destinés à la production d'énergie électrique.

Exportation hors des provinces

(2) La législature de chaque province a compétence pour légiférer en ce qui concerne l'exportation, hors de la province, à destination d'une autre partie du Canada, de la production primaire tirée des ressources naturelles non renouvelables et des ressources forestières de la province, ainsi que de la production d'énergie électrique de la province, sous réserve de ne pas adopter de lois autorisant ou prévoyant des disparités de prix ou des disparités dans les exportations destinées à une autre partie du Canada.

Pouvoir du Parlement

(3) Le paragraphe (2) ne porte pas atteinte au pouvoir du Parlement de légiférer dans les domaines visés à ce paragraphe, les dispositions d'une loi du Parlement adoptée dans ces domaines l'emportant sur les dispositions incompatibles d'une loi provinciale.

Taxation of resources

(4) In each province, the legislature may make laws in relation to the raising of money by any mode or system of taxation in respect of

(*a*) non-renewable natural resources and forestry resources in the province and the primary production therefrom, and

(*b*) sites and facilities in the province for the generation of electrical energy and the production therefrom,

whether or not such production is exported in whole or in part from the province, but such laws may not authorize or provide for taxation that differentiates between production exported to another part of Canada and production not exported from the province.

Taxation des ressources

(4) La législature de chaque province a compétence pour prélever des sommes d'argent par tout mode ou système de taxation :

a) des ressources naturelles non renouvelables et des ressources forestières de la province, ainsi que de la production primaire qui en est tirée;

b) des emplacements et des installations de la province destinés à la production d'énergie électrique, ainsi que de cette production même.

Cette compétence peut s'exercer indépendamment du fait que la production en cause soit ou non, en totalité ou en partie, exportée hors de la province, mais les lois adoptées dans ces domaines ne peuvent autoriser ou prévoir une taxation qui établisse une distinction entre la production exportée à destination d'une autre partie du Canada et la production non exportée hors de la province.

"Primary production"

(5) The expression "primary production" has the meaning assigned by the Sixth Schedule.

«Production primaire»

(5) L'expression «production primaire» a le sens qui lui est donné dans la sixième annexe.

Existing powers or rights

(6) Nothing in subsections (1) to (5) derogates from any powers or rights that a legislature or government of a province had immediately before the coming into force of this section."

Pouvoirs ou droits existants

(6) Les paragraphes (1) à (5) ne portent pas atteinte aux pouvoirs ou droits détenus par la législature ou le gouvernement d'une province lors de l'entrée en vigueur du présent article.»

Idem

50. The said Act is further amended by adding thereto the following Schedule:

Idem

50. Ladite loi est en outre modifiée par adjonction de l'annexe suivante :

"THE SIXTH SCHEDULE

Primary Production from Non-Renewable Natural Resources and Forestry Resources

1. For the purposes of section 92A of this Act,

(*a*) production from a non-renewable natural resource is primary production therefrom if

(i) it is in the form in which it exists upon its recovery or severance from its natural state, or

«SIXIÈME ANNEXE

Production primaire tirée des ressources naturelles non renouvelables et des ressources forestières

1. Pour l'application de l'article 92A :

a) on entend par production primaire tirée d'une ressource naturelle non renouvelable :

(i) soit le produit qui se présente sous la même forme que lors de son extraction du milieu naturel,

(ii) soit le produit non manufacturé de la transformation, du raffinage ou de

S.O. 21(2)

(ii) it is a product resulting from processing or refining the resource, and is not a manufactured product or a product resulting from refining crude oil, refining upgraded heavy crude oil, refining gases or liquids derived from coal or refining a synthetic equivalent of crude oil; and

(*b*) production from a forestry resource is primary production therefrom if it consists of sawlogs, poles, lumber, wood chips, sawdust or any other primary wood product, or wood pulp, and is not a product manufactured from wood."

l'affinage d'une ressource, à l'exception du produit du raffinage du pétrole brut, du raffinage du pétrole brut lourd amélioré, du raffinage des gaz ou des liquides dérivés du charbon ou du raffinage d'un équivalent synthétique du pétrole brut;

b) on entend par production primaire tirée d'une ressource forestière la production constituée de billots, de poteaux, de bois d'œuvre, de copeaux, de sciure ou d'autre produit primaire du bois, ou de pâte de bois, à l'exception d'un produit manufacturé en bois.»

PART VI

GENERAL

PARTIE VI

DISPOSITIONS GÉNÉRALES

Primacy of Constitution of Canada

51. (1) The Constitution of Canada is the supreme law of Canada, and any law that is inconsistent with the provisions of the Constitution is, to the extent of the inconsistency, of no force or effect.

51. (1) La Constitution du Canada est la loi suprême du Canada; elle rend inopérantes les dispositions incompatibles de toute autre règle de droit.

Primauté de la Constitution du Canada

Constitution of Canada

(2) The Constitution of Canada includes

(*a*) the *Canada Act*, including this Act;

(*b*) the Acts and orders referred to in Schedule I; and

(*c*) any amendment to any Act or order referred to in paragraph (*a*) or (*b*).

(2) La Constitution du Canada comprend :

a) la *Loi sur le Canada*, y compris la présente loi;

b) les textes législatifs et les décrets figurant à l'annexe I;

c) les modifications des textes législatifs et des décrets mentionnés aux alinéas *a*) ou *b*).

Constitution du Canada

Amendments to Constitution of Canada

(3) Amendments to the Constitution of Canada shall be made only in accordance with the authority contained in the Constitution of Canada.

(3) La Constitution du Canada ne peut être modifiée que conformément aux pouvoirs conférés par elle.

Modification

Repeals and new names

52. (1) The enactments referred to in Column I of Schedule I are hereby repealed or amended to the extent indicated in Column II thereof and, unless repealed, shall continue as law in Canada under the names set out in Column III thereof.

52. (1) Les textes législatifs et les décrets énumérés à la colonne I de l'annexe I sont abrogés ou modifiés dans la mesure indiquée à la colonne II. Sauf abrogation, ils restent en vigueur en tant que lois du Canada sous les titres mentionnés à la colonne III.

Abrogation et nouveaux titres

Consequential amendments

(2) Every enactment, except the *Canada Act*, that refers to an enactment referred to in Schedule I by the name in Column I thereof is hereby amended by substituting for that name the corresponding name in Column III thereof, and any British North America Act not referred to in Schedule I may be cited as the *Constitution Act* fol-

(2) Tout texte législatif ou réglementaire, sauf la *Loi sur le Canada,* qui fait mention d'un texte législatif ou décret figurant à l'annexe I par le titre indiqué à la colonne I est modifié par substitution à ce titre du titre correspondant mentionné à la colonne III; tout Acte de l'Amérique du Nord britannique non mentionné à l'annexe I peut être cité sous le titre de *Loi constitutionnelle* suivi de

Modifications corrélatives

lowed by the year and number, if any, of its enactment.

l'indication de l'année de son adoption et éventuellement de son numéro.

Repeal and consequential amendments

53. Part III is repealed on the day that is one year after this Part comes into force and this section may be repealed and this Act renumbered, consequential upon the repeal of Part III and this section, by proclamation issued by the Governor General under the Great Seal of Canada.

53. La partie III est abrogée un an après l'entrée en vigueur de la présente partie et le gouverneur général peut, par proclamation sous le grand sceau du Canada, abroger le présent article et apporter en conséquence de cette double abrogation les aménagements qui s'imposent à la présente loi.

Abrogation et modifications qui en découlent

French version of Constitution of Canada

54. A French version of the portions of the Constitution of Canada referred to in Schedule I shall be prepared by the Minister of Justice of Canada as expeditiously as possible and, when any portion thereof sufficient to warrant action being taken has been so prepared, it shall be put forward for enactment by proclamation issued by the Governor General under the Great Seal of Canada pursuant to the procedure then applicable to an amendment of the same provisions of the Constitution of Canada.

54. Le ministre de la Justice du Canada est chargé de rédiger, dans les meilleurs délais, la version française des parties de la Constitution du Canada qui figurent à l'annexe I; toute partie suffisamment importante est, dès qu'elle est prête, déposée pour adoption par proclamation du gouverneur général sous le grand sceau du Canada, conformément à la procédure applicable à l'époque à la modification des dispositions constitutionnelles qu'elle contient.

Version française de certains textes constitutionnels

English and French versions of certain constitutional texts

55. Where any portion of the Constitution of Canada has been or is enacted in English and French or where a French version of any portion of the Constitution is enacted pursuant to section 54, the English and French versions of that portion of the Constitution are equally authoritative.

55. Les versions française et anglaise des parties de la Constitution du Canada adoptées dans ces deux langues ont également force de loi. En outre, ont également force de loi, dès l'adoption, dans le cadre de l'article 54, d'une partie de la version française de la Constitution, cette partie et la version anglaise correspondante.

Versions française et anglaise de certains textes constitutionnels

English and French versions of this Act

56. The English and French versions of this Act are equally authoritative.

56. Les versions française et anglaise de la présente loi ont également force de loi.

Versions française et anglaise de la présente loi

Commencement

57. Subject to section 58, this Act shall come into force on a day to be fixed by proclamation issued by the Queen or the Governor General under the Great Seal of Canada.

57. Sous réserve de l'article 58, la présente loi entre en vigueur à la date fixée par proclamation de la Reine ou du gouverneur général sous le grand sceau du Canada.

Entrée en vigueur

Commencement of paragraph 23(1)(*a*) in respect of Quebec

58. (1) Paragraph 23(1)(*a*) shall come into force in respect of Quebec on a day to be fixed by proclamation issued by the Queen or the Governor General under the Great Seal of Canada.

58. (1) L'alinéa 23(1)*a*) entre en vigueur pour le Québec à la date fixée par proclamation de la Reine ou du gouverneur général sous le grand sceau du Canada.

Entrée en vigueur de l'alinéa 23(1)*a*) pour le Québec

Authorization of Quebec

(2) A proclamation under subsection (1) shall be issued only where authorized by the legislative assembly or government of Quebec.

(2) La proclamation visée au paragraphe (1) ne peut être prise qu'après autorisation de l'assemblée législative ou du gouvernement du Québec.

Autorisation du Québec

S.O. 21(2)

Repeal of this section

(3) This section may be repealed on the day paragraph 23(1)(*a*) comes into force in respect of Quebec and this Act amended and renumbered, consequential upon the repeal of this section, by proclamation issued by the Queen or the Governor General under the Great Seal of Canada.

Short title and citations

59. This Act may be cited as the *Constitution Act, 1981*, and the Constitution Acts 1867 to 1975 (No. 2) and this Act may be cited together as the *Constitution Acts, 1867 to 1981*.

Abrogation du présent article

(3) Le présent article peut être abrogé à la date d'entrée en vigueur de l'alinéa 23(1)*a*) pour le Québec, et la présente loi faire l'objet, dès cette abrogation, des modifications et changements de numérotation qui en découlent, par proclamation de la Reine ou du gouverneur général sous le grand sceau du Canada.

Titres

59. Titre abrégé de la présente annexe : *Loi constitutionnelle de 1981*; titre commun des lois constitutionnelles de 1867 à 1975 (nº 2) et de la présente loi : *Lois constitutionnelles de 1867 à 1981*.

S.O. 21(2)

SCHEDULE I

to the

CONSTITUTION ACT, 1981

MODERNIZATION OF THE CONSTITUTION

Item	Column I Act Affected	Column II Amendment	Column III New Name
1.	British North America Act, 1867, 30-31 Vict., c. 3 (U.K.)	(1) Section 1 is repealed and the following substituted therefor: "1. This Act may be cited as the *Constitution Act, 1867*." (2) Section 20 is repealed. (3) Class 1 of section 91 is repealed. (4) Class 1 of section 92 is repealed.	Constitution Act, 1867
2.	An Act to amend and continue the Act 32-33 Victoria chapter 3; and to establish and provide for the Government of the Province of Manitoba, 1870, 33 Vict., c. 3 (Can.)	(1) The long title is repealed and the following substituted therefor: "*Manitoba Act, 1870*." (2) Section 20 is repealed.	Manitoba Act, 1870
3.	Order of Her Majesty in Council admitting Rupert's Land and the North-Western Territory into the union, dated the 23rd day of June, 1870		Rupert's Land and North-Western Territory Order
4.	Order of Her Majesty in Council admitting British Columbia into the Union, dated the 16th day of May, 1871		British Columbia Terms of Union
5.	British North America Act, 1871, 34-35 Vict., c. 28 (U.K.)	Section 1 is repealed and the following substituted therefor: "1. This Act may be cited as the *Constitution Act, 1871*."	Constitution Act, 1871
6.	Order of Her Majesty in Council admitting Prince Edward Island into the Union, dated the 26th day of June, 1873		Prince Edward Island Terms of Union
7.	Parliament of Canada Act, 1875, 38-39 Vict., c. 38 (U.K.)		Parliament of Canada Act, 1875
8.	Order of Her Majesty in Council admitting all British possessions and Territories in North America and islands adjacent thereto into the Union, dated the 31st day of July, 1880		Adjacent Territories Order

S.O. 21(2)

ANNEXE I

LOI CONSTITUTIONNELLE DE 1981

ACTUALISATION DE LA CONSTITUTION

	Colonne I Loi visée	Colonne II Modification	Colonne III Nouveau titre
1.	Acte de l'Amérique du Nord britannique, 1867, 30-31 Vict., c. 3 (R.-U.)	(1) L'article 1 est abrogé et remplacé par ce qui suit : «1. Titre abrégé : *Loi constitutionnelle de 1867*.» (2) L'article 20 est abrogé. (3) La catégorie 1 de l'article 91 est abrogée. (4) La catégorie 1 de l'article 92 est abrogée.	Loi constitutionnelle de 1867
2.	Acte pour amender et continuer l'acte trente-deux et trente-trois Victoria, chapitre trois, et pour établir et constituer le gouvernement de la province de Manitoba, 1870, 33 Vict., c. 3 (Canada)	(1) Le titre complet est abrogé et remplacé par ce qui suit : «*Loi de 1870 sur le Manitoba*.» (2) L'article 20 est abrogé.	Loi de 1870 sur le Manitoba
3.	Arrêté en conseil de Sa Majesté admettant la Terre de Rupert et le Territoire du Nord-Ouest, en date du 23 juin 1870		Décret en conseil sur la terre de Rupert et le territoire du Nord-Ouest
4.	Arrêté en conseil de Sa Majesté admettant la Colombie-Britannique, en date du 16 mai 1871		Conditions de l'adhésion de la Colombie-Britannique
5.	Acte de l'Amérique du Nord britannique, 1871, 34-35 Vict., c. 28 (R.-U.)	L'article 1 est abrogé et remplacé par ce qui suit : «1. Titre abrégé : *Loi constitutionnelle de 1871*.»	Loi constitutionnelle de 1871
6.	Arrêté en conseil de Sa Majesté admettant l'Île-du-Prince-Édouard, en date du 26 juin 1873		Conditions de l'adhésion de l'Île-du-Prince-Édouard
7.	Acte du Parlement du Canada, 1875, 38-39 Vict., c. 38 (R.-U.)		Loi de 1875 sur le Parlement du Canada
8.	Arrêté en conseil de Sa Majesté admettant dans l'Union tous les territoires et possessions britanniques dans l'Amérique du Nord, et les îles adjacentes à ces territoires et possessions, en date du 31 juillet 1880		Décret en conseil sur les territoires adjacents

S.O. 21(2)

SCHEDULE I

to the

CONSTITUTION ACT, 1981—*Continued*

Item	Column I Act Affected	Column II Amendment	Column III New Name
9.	British North America Act, 1886, 49-50 Vict., c. 35 (U.K.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Constitution Act, 1886*."	Constitution Act, 1886
10.	Canada (Ontario Boundary) Act, 1889, 52-53 Vict., c. 28 (U.K.)		Canada (Ontario Boundary) Act, 1889
11.	Canadian Speaker (Appointment of Deputy) Act, 1895, 2nd Sess., 59 Vict., c. 3 (U.K.)	The Act is repealed.	
12.	The Alberta Act, 1905, 4-5 Edw. VII, c. 3 (Can.)		Alberta Act
13.	The Saskatchewan Act, 1905, 4-5 Edw. VII, c. 42 (Can.)		Saskatchewan Act
14.	British North America Act, 1907, 7 Edw. VII, c. 11 (U.K.)	Section 2 is repealed and the following substituted therefor: "2. This Act may be cited as the *Constitution Act, 1907*."	Constitution Act, 1907
15.	British North America Act, 1915, 5-6 Geo. V, c. 45 (U.K.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Constitution Act, 1915*."	Constitution Act, 1915
16.	British North America Act, 1930, 20-21 Geo. V, c. 26 (U.K.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Constitution Act, 1930*."	Constitution Act, 1930
17.	Statute of Westminster, 1931, 22 Geo. V, c. 4 (U.K.)	In so far as they apply to Canada, (*a*) section 4 is repealed; and (*b*) subsection 7(1) is repealed.	Statute of Westminster, 1931
18.	British North America Act, 1940, 3-4 Geo. VI, c. 36 (U.K.)	Section 2 is repealed and the following substituted therefor: "2. This Act may be cited as the *Constitution Act, 1940*."	Constitution Act, 1940
19.	British North America Act, 1943, 6-7 Geo. VI, c. 30 (U.K.)	The Act is repealed.	

S.O. 21(2)

ANNEXE I (*suite*)

LOI CONSTITUTIONNELLE DE 1981

	Colonne I Loi visée	Colonne II Modification	Colonne III Nouveau titre
9.	Acte de l'Amérique du Nord britannique, 1886, 49-50 Vict., c. 35 (R.-U.)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi constitutionnelle de 1886*.»	Loi constitutionnelle de 1886
10.	Acte du Canada (limites d'Ontario) 1889, 52-53 Vict., c. 28 (R.-U.)		Loi de 1889 sur le Canada (frontières de l'Ontario)
11.	Acte concernant l'Orateur canadien (nomination d'un suppléant) 1895, 2e session, 59 Vict., c. 3 (R.-U.)	La loi est abrogée.	
12.	Acte de l'Alberta, 1905, 4-5 Ed. VII, c. 3 (Canada)		Loi sur l'Alberta
13.	Acte de la Saskatchewan, 1905, 4-5 Ed. VII, c. 42 (Canada)		Loi sur la Saskatchewan
14.	Acte de l'Amérique du Nord britannique, 1907, 7 Ed. VII, c. 11 (R.-U.)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé : *Loi constitutionnelle de 1907*.»	Loi constitutionnelle de 1907
15.	Acte de l'Amérique du Nord britannique, 1915, 5-6 Geo. V, c. 45 (R.-U.)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi constitutionnelle de 1915*.»	Loi constitutionnelle de 1915
16.	Acte de l'Amérique du Nord britannique, 1930, 20-21 Geo. V, c. 26 (R.-U.)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi constitutionnelle de 1930*.»	Loi constitutionnelle de 1930
17.	Statut de Westminster, 1931, 22 Geo. V, c. 4 (R.-U.)	Dans la mesure où ils s'appliquent au Canada : *a*) l'article 4 est abrogé; *b*) le paragraphe 7(1) est abrogé.	Statut de Westminster de 1931
18.	Acte de l'Amérique du Nord britannique, 1940, 3-4 Geo. VI, c. 36 (R.-U.)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé : *Loi constitutionnelle de 1940*.»	Loi constitutionnelle de 1940
19.	Acte de l'Amérique du Nord britannique, 1943, 6-7 Geo. VI, c. 30 (R.-U.)	La loi est abrogée.	

S.O. 21(2)

SCHEDULE I

to the

CONSTITUTION ACT, 1981—*Continued*

Item	Column I Act Affected	Column II Amendment	Column III New Name
20.	British North America Act, 1946, 9-10 Geo. VI, c. 63 (U.K.)	The Act is repealed.	
21.	British North America Act, 1949, 12-13 Geo. VI, c. 22 (U.K.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Newfoundland Act*."	Newfoundland Act
22.	British North America (No. 2) Act, 1949, 13 Geo. VI, c. 81 (U.K.)	The Act is repealed.	
23.	British North America Act, 1951, 14-15 Geo. VI, c. 32 (U.K.)	The Act is repealed.	
24.	British North America Act, 1952, 1 Eliz. II, c. 15 (Can.)	The Act is repealed.	
25.	British North America Act, 1960, 9 Eliz. II, c. 2 (U.K.)	Section 2 is repealed and the following substituted therefor: "2. This Act may be cited as the *Constitution Act, 1960*."	Constitution Act, 1960
26.	British North America Act, 1964, 12-13 Eliz. II, c. 73 (U.K.)	Section 2 is repealed and the following substituted therefor: "2. This Act may be cited as the *Constitution Act, 1964*."	Constitution Act, 1964
27.	British North America Act, 1965, 14 Eliz. II, c. 4, Part I (Can.)	Section 2 is repealed and the following substituted therefor: "2. This Part may be cited as the *Constitution Act, 1965*."	Constitution Act, 1965
28.	British North America Act, 1974, 23 Eliz. II, c. 13, Part I (Can.)	Section 3, as amended by 25-26 Eliz. II, c. 28, s. 38(1) (Can.) is repealed and the following substituted therefor: "3. This Part may be cited as the *Constitution Act, 1974*."	Constitution Act, 1974

S.O. 21(2)

ANNEXE I (*suite*)

LOI CONSTITUTIONNELLE DE 1981

	Colonne I Loi visée	Colonne II Modification	Colonne III Nouveau titre
20.	Acte de l'Amérique du Nord britannique, 1946, 9-10 Geo. VI, c. 63 (R.-U.)	La loi est abrogée.	
21.	Acte de l'Amérique du Nord britannique, 1949, 12-13 Geo. VI, c. 22 (R.-U.)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi sur Terre-Neuve.*»	Loi sur Terre-Neuve
22.	Acte de l'Amérique du Nord britannique (N° 2), 1949, 13 Geo. VI, c. 81 (R.-U.)	La loi est abrogée.	
23.	Acte de l'Amérique du Nord britannique, 1951, 14-15 Geo. VI, c. 32 (R.-U.)	La loi est abrogée.	
24.	Acte de l'Amérique du Nord britannique, 1952, 1 Eliz. II, c. 15 (Canada)	La loi est abrogée.	
25.	Acte de l'Amérique du Nord britannique, 1960, 9 Eliz. II, c. 2 (R.-U.)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé : *Loi constitutionnelle de 1960.*»	Loi constitutionnelle de 1960
26.	Acte de l'Amérique du Nord britannique, 1964, 12-13 Eliz. II, c. 73 (R.-U.)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé : *Loi constitutionnelle de 1964.*»	Loi constitutionnelle de 1964
27.	Acte de l'Amérique du Nord britannique, 1965, 14 Eliz. II, c. 4, Partie I (Canada)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé de la présente partie : *Loi constitutionnelle de 1965.*»	Loi constitutionnelle de 1965
28.	Acte de l'Amérique du Nord britannique, 1974, 23 Eliz. II, c. 13, Partie I (Canada)	L'article 3, modifié par le paragraphe 38(1) de la loi 25-26 Elizabeth II, c. 28 (Canada), est abrogé et remplacé par ce qui suit : «3. Titre abrégé de la présente partie : *Loi constitutionnelle de 1974.*»	Loi constitutionnelle de 1974

S.O. 21(2)

SCHEDULE I

to the

CONSTITUTION ACT, 1981—*Concluded*

Item	Column I Act Affected	Column II Amendment	Column III New Name
29.	British North America Act, 1975, 23-24 Eliz. II, c. 28, Part I (Can.)	Section 3, as amended by 25-26 Eliz. II, c. 28, s. 31 (Can.) is repealed and the following substituted therefor: "3. This Part may be cited as the *Constitution Act (No. 1), 1975*."	Constitution Act (No. 1), 1975
30.	British North America Act (No. 2), 1975, 23-24 Eliz. II, c. 53 (Can.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Constitution Act (No. 2), 1975*."	Constitution Act (No. 2), 1975

S.O. 21(2)

ANNEXE I (*fin*)

LOI CONSTITUTIONNELLE DE 1981

	Colonne I Loi visée	Colonne II Modification	Colonne III Nouveau titre
29.	Acte de l'Amérique du Nord britannique, 1975, 23-24 Eliz. II, c. 28, Partie I (Canada)	L'article 3, modifié par l'article 31 de la loi 25-26 Elizabeth II, c. 28 (Canada), est abrogé et remplacé par ce qui suit : «3. Titre abrégé de la présente partie : *Loi constitutionnelle nº 1 de 1975.*»	Loi constitutionnelle nº 1 de 1975
30.	Acte de l'Amérique du Nord britannique nº 2, 1975, 23-24 Eliz. II, c. 53 (Canada)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi constitutionnelle nº 2 de 1975.*»	Loi constitutionnelle nº 2 de 1975

Madam Speaker: The notice of motion is transferred to government orders and ordered for consideration later today or at the next sitting of the House, in accordance with the provisions of Standing Order 21(2).

● (1210)

* * *

[*English*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, the following questions will be answered today: Nos. 2,540, 3,034 and 3,145.

[*Text*]

CABINET COMMITTEE ON SECURITY AND INTELLIGENCE

Question No. 2,540—**Mr. Cossitt:**

1. Did the Prime Minister make a statement on May 26, 1981 that the security committee of the cabinet had met very few times, if any, since his government was returned to office and did he further state that he could not really recall that the committee had ever met and, if so (a) what is the purpose of having such a committee, (b) if no meetings were held, is it intended to leave the committee in existence or to abolish it, (c) will it be the policy in the future to have the committee meet on a regular basis in addition to any other special meetings that may be required?

2. What are the names of all cabinet ministers who sit on the committee and what are the names and job designations of any others who perform services for the committee?

Hon. Yvon Pinard (President of the Privy Council): 1. The relevant remarks of the Prime Minister are set out in the minutes of proceedings and evidence of the Standing Committee on Miscellaneous Estimates for the meeting of May 26, 1981. (a) The cabinet committee on security and intelligence meets at irregular intervals as required to deal with questions relating to security and intelligence. (b) Not applicable. (c) Arrangements concerning cabinet committees are kept under continuing review.

2. As of the date of the question, the members of the cabinet committee on security and intelligence were as set out in the cabinet committee membership list tabled by the Prime Minister on July 10, 1980 and printed as an appendix to House of Commons *Debates* for that day. As of the date of the question, the names of the persons who performed services for the committee were as set out in the reply to question No. 2,609 answered July 7, 1981.

BETHUNE FOUNDATION

Question No. 3,034—**Mr. Gamble:**

1. What is the Bethune Foundation?

2. Did the Canadian International Development Agency (CIDA) give the Bethune Foundation a grant of $7,923 in the fiscal year 1979-80 and, if so, for what purpose?

3. Does the Bethune Foundation in any way relate to Dr. Norman Bethune?

Hon. Mark MacGuigan (Secretary of State for External Affairs): 1. According to information supplied by the foundation, the Bethune Foundation/La Fondation Bethune is a registered non-profit charitable organization. It was founded in 1971 and its objectives are: (a) to perpetuate the memory of Dr. Norman Bethune and his service to humanity, self-sacrifice, and spirit of co-operative internationalism, and to expand the knowledge of his contributions to society; (b) to encourage exchanges of professors and students between Canadian and other universities and educational institutions who will give leadership in the area of health and welfare and development, particularly in outlying areas, among native peoples, mining communities, etc.; (c) to establish trust funds and a foundation in the pursuit of the above objectives.

2. CIDA made a contribution of $7,923 to the Bethune Foundation in fiscal year 1979-80 for the conference: "Bethune, His Times and Legacy". The conference was held at McGill University in Montreal. Specifically, the CIDA contribution was for the purpose of providing travel and per diem financing to bring two speakers from China who had intimate knowledge of Dr. Bethune's work in that country.

3. See answer to 1 above.

CANADA FOOD GUIDE

Question No. 3,145—**Mr. Munro (Esquimalt-Saanich):**

1. With reference to the pamphlet "Eat Better, Feel Great" (a) how many copies were ordered to be printed and in which languages (b) what was the cost (c) at what location was it printed and by what firm or firms (d) what methods were used to distribute the pamphlet and what was the cost of each method?

2. (a) What is the "Canada Food Guide" (b) was the "Canada Food Guide" distributed at the same time as the pamphlet and, if not, for what reason was reference made to it in the pamphlet without indicating how a copy could be obtained?

3. Was the pamphlet directed to (a) the young (b) the elderly (c) the obese (d) pensioners (e) those who eat too much fat or use too much salt and, if not, to whom?

4. What was the purpose behind (a) the pamphlet "Eat Better, Feel Great" (b) the brochure "Canada Food Guide"?

Mr. Doug Frith (Parliamentary Secretary to Minister of National Health and Welfare): 1. (a) Approximately 8.5 million English copies and two million French copies of the pamphlet were printed. (b) Total production costs were

$218,353. (c) Printing was done in Montreal by Gazette Printing Company through Cockfield Brown Inc. (d) Eight million copies of the pamphlet are being distributed as a print insert in eight national magazines (French and English); in October, Today/Perspectives; Reader's Digest/Sélection du Reader's Digest; and in November, Chatelaine/Châtelaine and TV Guide/Hebdo. Cost of distribution is estimated at $163,000. Distribution of additional copies will be done through programs within the department and in conjunction with other federal, provincial and local agencies.

2. (a) "Canada's Food Guide" is a one-page nutrition education tool developed through collaborative federal-provincial efforts. Since 1977, over eight million copies of the Guide have been distributed largely in co-operation with provincial departments of health. In addition, information on Canada's Food Guide is expanded as needed, in teaching and information materials such as booklets, pamphlets and posters prepared by many agencies.

(b) Canada's Food Guide was not distributed at the same time as the pamphlet, since the pamphlet was designed to promote only the variety aspect of the Guide. The circle representing the four groups was included to remind the target group, young adults, of Canada's Food Guide which has been available to them for many years. In addition, distribution costs would have increased and it would have duplicated existing information.

3. The pamphlet "Eat Better, Feel Great" is directed to young adults, 18 to 34 years of age, to encourage them to look at their own eating habits and consider changes. This can aid in preventing some of the overweight and poor nutrition habits in later years. Many programs across the country deal with the younger child but few exist which are related to the young adult target group. This group serves to bring about change in the food habits of children. The pamphlet will, of course, be read by others including the older age group and will help those who eat too much salt or fat. There are nutrition programs within the department which address problems such as overweight.

4. (a) The "Eat Better, Feel Great" pamphlet is part of a national awareness program to promote health. It is designed to stimulate Canadians to examine their personal eating habits and to make positive changes. It is based on nutrition research in both scientific and applied health fields and was developed to implement the nutrition recommendations for Canadians.

(b) "Canada's Food Guide" was designed as an educational tool for working with the public or in student training. It is used by health workers, teachers, counsellors, the food industry and the media in presenting a sound and consistent message. It has been evaluated and is revised as required to best reflect recent scientific research and general eating patterns of Canadians. It is an example of successful collaborative efforts between federal and provincial governments.

[*English*]

Madam Speaker: The questions enumerated by the parliamentary secretary have been answered.

* * *

QUESTION PASSED AS ORDER FOR RETURN

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, if question No. 2,732 could be made an order for return, this return would be tabled immediately.

[*Text*]

GIFTS TO REPRESENTATIVES OF FOREIGN GOVERNMENTS

Question No. 2,732—**Mr. Beatty:**

1. Since March 1, 1980, what gifts of more than a $50 cost to the taxpayer were given by the government and its officials to representatives of foreign governments for their personal use or for the use of their families?

2. In each case (a) what was the cost of the gift to the taxpayer (b) to whom was it given (c) on what date was it given and by whom (d) for what reason was it given?

3. What is the policy of the government respecting gifts paid for by the government and given to representatives of foreign governments and how are Canadian officials informed of the policy?

Return tabled.

[*English*]

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

Madam Speaker: Shall the remaining questions be allowed to stand?

Some hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

THE CONSTITUTION

RESOLUTION RESPECTING CONSTITUTION ACT, 1981

Hon. Jean Chrétien (Minister of Justice and Minister of State for Social Development) moved:

THAT, WHEREAS in the past certain amendments to the Constitution of Canada have been made by the Parliament of the United Kingdom at the request and with the consent of Canada;

AND WHEREAS it is in accord with the status of Canada as an independent state that Canadians be able to amend their Constitution in Canada in all respects;

AND WHEREAS it is also desirable to provide in the Constitution of Canada for the recognition of certain fundamental rights and freedoms and to make other amendments to that Constitution;

A respectful address be presented to Her Majesty the Queen in the following words:

To the Queen's Most Excellent Majesty:
Most Gracious Sovereign:

We, Your Majesty's loyal subjects, the House of Commons of Canada in Parliament assembled, respectfully approach Your Majesty, requesting that you may graciously be pleased to cause to be laid before the Parliament of the United Kingdom a measure containing the recitals and clauses hereinafter set forth:

CONSIDÉRANT :
que le Parlement du Royaume-Uni a modifié à plusieurs reprises la Constitution du Canada à la demande et avec le consentement de celui-ci;

que, de par le statut d'État indépendant du Canada, il est légitime que les Canadiens aient tout pouvoir pour modifier leur Constitution au Canada;

qu'il est souhaitable d'inscrire dans la Constitution du Canada la reconnaissance de certains droits et libertés fondamentaux et d'y apporter d'autres modifications,

il est proposé que soit présentée respectueusement à Sa Majesté la Reine l'adresse dont la teneur suit :

A Sa Très Excellente Majesté la Reine,
Très Gracieuse Souveraine :

Nous, membres de la Chambre des communes du Canada réunis en Parlement, fidèles sujets de Votre Majesté, demandons respectueusement à Votre Très Gracieuse Majesté de bien vouloir faire déposer devant le Parlement du Royaume-Uni un projet de loi ainsi conçu :

ANNEXE A—SCHEDULE A

An Act to give effect to a request by the Senate and House of Commons of Canada

Loi donnant suite à une demande du Sénat et de la Chambre des communes du Canada

Whereas Canada has requested and consented to the enactment of an Act of the Parliament of the United Kingdom to give effect to the provisions hereinafter set forth and the Senate and the House of Commons of Canada in Parliament assembled have submitted an address to Her Majesty requesting that Her Majesty may graciously be pleased to cause a Bill to be laid before the Parliament of the United Kingdom for that purpose.

Sa Très Excellente Majesté la Reine, considérant :

qu'à la demande et avec le consentement du Canada, le Parlement du Royaume-Uni est invité à adopter une loi visant à donner effet aux dispositions énoncées ci-après et que le Sénat et la Chambre des communes du Canada réunis en Parlement ont présenté une adresse demandant à Sa Très Gracieuse Majesté de bien vouloir faire déposer devant le Parlement du Royaume-Uni un projet de loi à cette fin,

Be it therefore enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:

sur l'avis et du consentement des Lords spirituels et temporels et des Communes réunis en Parlement, et par l'autorité de celui-ci, édicte :

Constitution Act, 1981 enacted

1. The *Constitution Act, 1981* set out in Schedule B to this Act is hereby enacted for and shall have the force of law in Canada and shall come into force as provided in that Act.

Adoption de la *Loi constitutionnelle de 1981*

1. La *Loi constitutionnelle de 1981*, énoncée à l'annexe B, est édictée pour le Canada et y a force de loi. Elle entre en vigueur conformément à ses dispositions.

Termination of power to legislate for Canada

2. No Act of the Parliament of the United Kingdom passed after the *Constitution Act, 1981* comes into force shall extend to Canada as part of its law.

Cessation du pouvoir de légiférer pour le Canada

2. Les lois adoptées par le Parlement du Royaume-Uni après l'entrée en vigueur de la *Loi constitutionnelle de 1981* ne font pas partie du droit du Canada.

French version

3. So far as it is not contained in Schedule B, the French version of this Act is set out in Schedule A to this Act and has the same authority in Canada as the English version thereof.

Version française

3. La partie de la version française de la présente loi qui figure à l'annexe A a force de loi au Canada au même titre que la version anglaise correspondante.

Short title

4. This Act may be cited as the *Canada Act*.

Titre abrégé

4. Titre abrégé de la présente loi : *Loi sur le Canada*.

SCHEDULE B

CONSTITUTION ACT, 1981

PART I

CANADIAN CHARTER OF RIGHTS AND FREEDOMS

Whereas Canada is founded upon principles that recognize the supremacy of God and the rule of law:

Guarantee of Rights and Freedoms

Rights and freedoms in Canada

1. The *Canadian Charter of Rights and Freedoms* guarantees the rights and freedoms set out in it subject only to such reasonable limits prescribed by law as can be demonstrably justified in a free and democratic society.

Fundamental Freedoms

Fundamental freedoms

2. Everyone has the following fundamental freedoms:

(*a*) freedom of conscience and religion;

(*b*) freedom of thought, belief, opinion and expression, including freedom of the press and other media of communication;

(*c*) freedom of peaceful assembly; and

(*d*) freedom of association.

Democratic Rights

Democratic rights of citizens

3. Every citizen of Canada has the right to vote in an election of members of the House of Commons or of a legislative assembly and to be qualified for membership therein.

Maximum duration of legislative bodies

4. (1) No House of Commons and no legislative assembly shall continue for longer than five years from the date fixed for the return of the writs at a general election of its members.

Continuation in special circumstances

(2) In time of real or apprehended war, invasion or insurrection, a House of Commons may be continued by Parliament and a legislative assembly may be continued by the legislature beyond five years if such continuation is not opposed by the votes of more than one-third of the members of the House

ANNEXE B

LOI CONSTITUTIONNELLE DE 1981

PARTIE I

CHARTE CANADIENNE DES DROITS ET LIBERTÉS

Attendu que le Canada est fondé sur des principes qui reconnaissent la suprématie de Dieu et la primauté du droit :

Garantie des droits et libertés

Droits et libertés au Canada

1. La *Charte canadienne des droits et libertés* garantit les droits et libertés qui y sont énoncés. Ils ne peuvent être restreints que par une règle de droit, dans des limites qui soient raisonnables et dont la justification puisse se démontrer dans le cadre d'une société libre et démocratique.

Libertés fondamentales

Libertés fondamentales

2. Chacun a les libertés fondamentales suivantes :

a) liberté de conscience et de religion;

b) liberté de pensée, de croyance, d'opinion et d'expression, y compris la liberté de la presse et des autres moyens de communication;

c) liberté de réunion pacifique;

d) liberté d'association.

Droits démocratiques

Droits démocratiques des citoyens

3. Tout citoyen canadien a le droit de vote et est éligible aux élections législatives fédérales ou provinciales.

Mandat maximal des assemblées

4. (1) Le mandat maximal de la Chambre des communes et des assemblées législatives est de cinq ans à compter de la date fixée pour le retour des brefs relatifs aux élections générales correspondantes.

Prolongations spéciales

(2) Le mandat de la Chambre des communes ou celui d'une assemblée législative peut être prolongé respectivement par le Parlement ou par la législature en question au-delà de cinq ans en cas de guerre, d'invasion ou d'insurrection, réelles ou appréhendées, pourvu que cette prolongation ne fasse pas

of Commons or the legislative assembly, as the case may be.

l'objet d'une opposition exprimée par les voix de plus du tiers des députés de la Chambre des communes ou de l'assemblée législative.

Annual sitting of legislative bodies

5. There shall be a sitting of Parliament and of each legislature at least once every twelve months.

Séance annuelle

5. Le Parlement et les législatures tiennent une séance au moins une fois tous les douze mois.

Mobility Rights

Liberté de circulation et d'établissement

Mobility of citizens

6. (1) Every citizen of Canada has the right to enter, remain in and leave Canada.

Liberté de circulation

6. (1) Tout citoyen canadien a le droit de demeurer au Canada, d'y entrer ou d'en sortir.

Rights to move and gain livelihood

(2) Every citizen of Canada and every person who has the status of a permanent resident of Canada has the right

(*a*) to move to and take up residence in any province; and

(*b*) to pursue the gaining of a livelihood in any province.

Liberté d'établissement

(2) Tout citoyen canadien et toute personne ayant le statut de résident permanent au Canada ont le droit :

a) de se déplacer dans tout le pays et d'établir leur résidence dans toute province;

b) de gagner leur vie dans toute province.

Limitation

(3) The rights specified in subsection (2) are subject to

(*a*) any laws or practices of general application in force in a province other than those that discriminate among persons primarily on the basis of province of present or previous residence; and

(*b*) any laws providing for reasonable residency requirements as a qualification for the receipt of publicly provided social services.

Restriction

(3) Les droits mentionnés au paragraphe (2) sont subordonnés :

a) aux lois et usages d'application générale en vigueur dans une province donnée, s'ils n'établissent entre les personnes aucune distinction fondée principalement sur la province de résidence antérieure ou actuelle;

b) aux lois prévoyant de justes conditions de résidence en vue de l'obtention des services sociaux publics.

Affirmative action programs

(4) Subsections (2) and (3) do not preclude any law, program or activity that has as its object the amelioration in a province of conditions of individuals in that province who are socially or economically disadvantaged if the rate of employment in that province is below the rate of employment in Canada.

Programmes de promotion sociale

(4) Les paragraphes (2) et (3) n'ont pas pour objet d'interdire les lois, programmes ou activités destinés à améliorer, dans une province, la situation d'individus défavorisés socialement ou économiquement, si le taux d'emploi dans la province est inférieur à la moyenne nationale.

Legal Rights

Garanties juridiques

Life, liberty and security of person

7. Everyone has the right to life, liberty and security of the person and the right not to be deprived thereof except in accordance with the principles of fundamental justice.

Vie, liberté et sécurité

7. Chacun a droit à la vie, à la liberté et à la sécurité de sa personne; il ne peut être porté atteinte à ce droit qu'en conformité avec les principes de justice fondamentale.

Search or seizure

8. Everyone has the right to be secure against unreasonable search or seizure.

Fouilles, perquisitions ou saisies

8. Chacun a droit à la protection contre les fouilles, les perquisitions ou les saisies abusives.

Detention or imprisonment

9. Everyone has the right not to be arbitrarily detained or imprisoned.

Détention ou emprisonnement

9. Chacun a droit à la protection contre la détention ou l'emprisonnement arbitraires.

The Constitution

Arrest or detention

10. Everyone has the right on arrest or detention

(*a*) to be informed promptly of the reasons therefor;

(*b*) to retain and instruct counsel without delay and to be informed of that right; and

(*c*) to have the validity of the detention determined by way of *habeas corpus* and to be released if the detention is not lawful.

Proceedings in criminal and penal matters

11. Any person charged with an offence has the right

(*a*) to be informed without unreasonable delay of the specific offence;

(*b*) to be tried within a reasonable time;

(*c*) not to be compelled to be a witness in proceedings against that person in respect of the offence;

(*d*) to be presumed innocent until proven guilty according to law in a fair and public hearing by an independent and impartial tribunal;

(*e*) not to be denied reasonable bail without just cause;

(*f*) except in the case of an offence under military law tried before a military tribunal, to the benefit of trial by jury where the maximum punishment for the offence is imprisonment for five years or a more severe punishment;

(*g*) not to be found guilty on account of any act or omission unless, at the time of the act or omission, it constituted an offence under Canadian or international law or was criminal according to the general principles of law recognized by the community of nations;

(*h*) if finally acquitted of the offence, not to be tried for it again and, if finally found guilty and punished for the offence, not to be tried or punished for it again; and

(*i*) if found guilty of the offence and if the punishment for the offence has been varied between the time of commission and the time of sentencing, to the benefit of the lesser punishment.

Arrestation ou détention

10. Chacun a le droit, en cas d'arrestation ou de détention :

a) d'être informé dans les plus brefs délais des motifs de son arrestation ou de sa détention;

b) d'avoir recours sans délai à l'assistance d'un avocat et d'être informé de ce droit;

c) de faire contrôler, par *habeas corpus*, la légalité de sa détention et d'obtenir, le cas échéant, sa libération.

Affaires criminelles et pénales

11. Tout inculpé a le droit :

a) d'être informé sans délai anormal de l'infraction précise qu'on lui reproche;

b) d'être jugé dans un délai raisonnable;

c) de ne pas être contraint de témoigner contre lui-même dans toute poursuite intentée contre lui pour l'infraction qu'on lui reproche;

d) d'être présumé innocent tant qu'il n'est pas déclaré coupable, conformément à la loi, par un tribunal indépendant et impartial à l'issue d'un procès public et équitable;

e) de ne pas être privé sans juste cause d'une mise en liberté assortie d'un cautionnement raisonnable;

f) sauf s'il s'agit d'une infraction relevant de la justice militaire, de bénéficier d'un procès avec jury lorsque la peine maximale prévue pour l'infraction dont il est accusé est un emprisonnement de cinq ans ou une peine plus grave;

g) de ne pas être déclaré coupable en raison d'une action ou d'une omission qui, au moment où elle est survenue, ne constituait pas une infraction d'après le droit interne du Canada ou le droit international et n'avait pas de caractère criminel d'après les principes généraux de droit reconnus par l'ensemble des nations;

h) d'une part de ne pas être jugé de nouveau pour une infraction dont il a été définitivement acquitté, d'autre part de ne pas être jugé ni puni de nouveau pour une infraction dont il a été définitivement déclaré coupable et puni;

i) de bénéficier de la peine la moins sévère, lorsque la peine qui sanctionne l'infraction dont il est déclaré coupable est

modifiée entre le moment de la perpétration de l'infraction et celui de la sentence.

Treatment or punishment

12. Everyone has the right not to be subjected to any cruel and unusual treatment or punishment.

12. Chacun a droit à la protection contre tous traitements ou peines cruels et inusités.

Cruauté

Self-crimination

13. A witness who testifies in any proceedings has the right not to have any incriminating evidence so given used to incriminate that witness in any other proceedings, except in a prosecution for perjury or for the giving of contradictory evidence.

13. Chacun a droit à ce qu'aucun témoignage incriminant qu'il donne ne soit utilisé pour l'incriminer dans d'autres procédures, sauf lors de poursuites pour parjure ou pour témoignages contradictoires.

Témoignage incriminant

Interpreter

14. A party or witness in any proceedings who does not understand or speak the language in which the proceedings are conducted or who is deaf has the right to the assistance of an interpreter.

14. La partie ou le témoin qui ne peuvent suivre les procédures, soit parce qu'ils ne comprennent pas ou ne parlent pas la langue employée, soit parce qu'ils sont atteints de surdité, ont droit à l'assistance d'un interprète.

Interprète

Equality Rights

Droits à l'égalité

Equality before and under law and equal protection and benefit of law

15. (1) Every individual is equal before and under the law and has the right to the equal protection and equal benefit of the law without discrimination and, in particular, without discrimination based on race, national or ethnic origin, colour, religion, sex, age or mental or physical disability.

15. (1) La loi ne fait acception de personne et s'applique également à tous, et tous ont droit à la même protection et au même bénéfice de la loi, indépendamment de toute discrimination, notamment des discriminations fondées sur la race, l'origine nationale ou ethnique, la couleur, la religion, le sexe, l'âge ou les déficiences mentales ou physiques.

Égalité devant la loi, égalité de bénéfice et protection égale de la loi

Affirmative action programs

(2) Subsection (1) does not preclude any law, program or activity that has as its object the amelioration of conditions of disadvantaged individuals or groups including those that are disadvantaged because of race, national or ethnic origin, colour, religion, sex, age or mental or physical disability.

(2) Le paragraphe (1) n'a pas pour effet d'interdire les lois, programmes ou activités destinés à améliorer la situation d'individus ou de groupes défavorisés, notamment du fait de leur race, de leur origine nationale ou ethnique, de leur couleur, de leur religion, de leur sexe, de leur âge ou de leurs déficiences mentales ou physiques.

Programmes de promotion sociale

Official Languages of Canada

Langues officielles du Canada

Official languages of Canada

16. (1) English and French are the official languages of Canada and have equality of status and equal rights and privileges as to their use in all institutions of the Parliament and government of Canada.

16. (1) Le français et l'anglais sont les langues officielles du Canada; ils ont un statut et des droits et privilèges égaux quant à leur usage dans les institutions du Parlement et du gouvernement du Canada.

Langues officielles du Canada

Official languages of New Brunswick

(2) English and French are the official languages of New Brunswick and have equality of status and equal rights and privileges as to their use in all institutions of the

(2) Le français et l'anglais sont les langues officielles du Nouveau-Brunswick; ils ont un statut et des droits et privilèges égaux quant à leur usage dans les institutions de la Légis-

Langues officielles du Nouveau-Brunswick

legislature and government of New Brunswick.

lature et du gouvernement du Nouveau-Brunswick.

Advancement of status and use

(3) Nothing in this Charter limits the authority of Parliament or a legislature to advance the equality of status or use of English and French.

(3) La présente charte ne limite pas le pouvoir du Parlement et des législatures de favoriser la progression vers l'égalité de statut ou d'usage du français et de l'anglais.

Progression vers l'égalité

Proceedings of Parliament

17. (1) Everyone has the right to use English or French in any debates and other proceedings of Parliament.

17. (1) Chacun a le droit d'employer le français ou l'anglais dans les débats et travaux du Parlement.

Travaux du Parlement

Proceedings of New Brunswick legislature

(2) Everyone has the right to use English or French in any debates and other proceedings of the legislature of New Brunswick.

(2) Chacun a le droit d'employer le français ou l'anglais dans les débats et travaux de la Législature du Nouveau-Brunswick.

Travaux de la Législature du Nouveau-Brunswick

Parliamentary statutes and records

18. (1) The statutes, records and journals of Parliament shall be printed and published in English and French and both language versions are equally authoritative.

18. (1) Les lois, les archives, les comptes rendus et les procès-verbaux du Parlement sont imprimés et publiés en français et en anglais, les deux versions des lois ayant également force de loi et celles des autres documents ayant même valeur.

Documents parlementaires

New Brunswick statutes and records

(2) The statutes, records and journals of the legislature of New Brunswick shall be printed and published in English and French and both language versions are equally authoritative.

(2) Les lois, les archives, les comptes rendus et les procès-verbaux de la Législature du Nouveau-Brunswick sont imprimés et publiés en français et en anglais, les deux versions des lois ayant également force de loi et celles des autres documents ayant même valeur.

Documents de la Législature du Nouveau-Brunswick

Proceedings in courts established by Parliament

19. (1) Either English or French may be used by any person in, or in any pleading in or process issuing from, any court established by Parliament.

19. (1) Chacun a le droit d'employer le français ou l'anglais dans toutes les affaires dont sont saisis les tribunaux établis par le Parlement et dans tous les actes de procédure qui en découlent.

Procédures devant les tribunaux établis par le Parlement

Proceedings in New Brunswick courts

(2) Either English or French may be used by any person in, or in any pleading in or process issuing from, any court of New Brunswick.

(2) Chacun a le droit d'employer le français ou l'anglais dans toutes les affaires dont sont saisis les tribunaux du Nouveau-Brunswick et dans tous les actes de procédure qui en découlent.

Procédures devant les tribunaux du Nouveau-Brunswick

Communications by public with federal institutions

20. (1) Any member of the public in Canada has the right to communicate with, and to receive available services from, any head or central office of an institution of the Parliament or government of Canada in English or French, and has the same right with respect to any other office of any such institution where

(*a*) there is a significant demand for communications with and services from that office in such language; or

20. (1) Le public a, au Canada, droit à l'emploi du français ou de l'anglais pour communiquer avec le siège ou l'administration centrale des institutions du Parlement ou du gouvernement du Canada ou pour en recevoir les services; il a le même droit à l'égard de tout autre bureau de ces institutions là où, selon le cas :

a) l'emploi du français ou de l'anglais fait l'objet d'une demande importante;

b) l'emploi du français et de l'anglais se justifie par la vocation du bureau.

Communications entre les administrés et les institutions fédérales

(*b*) due to the nature of the office, it is reasonable that communications with and services from that office be available in both English and French.

Communications by public with New Brunswick institutions

(2) Any member of the public in New Brunswick has the right to communicate with, and to receive available services from, any office of an institution of the legislature or government of New Brunswick in English or French.

(2) Le public a, au Nouveau-Brunswick, droit à l'emploi du français ou de l'anglais pour communiquer avec tout bureau des institutions de la législature ou du gouvernement ou pour en recevoir les services.

Communications entre les administrés et les institutions du Nouveau-Brunswick

Continuation of existing constitutional provisions

21. Nothing in sections 16 to 20 abrogates or derogates from any right, privilege or obligation with respect to the English and French languages, or either of them, that exists or is continued by virtue of any other provision of the Constitution of Canada.

21. Les articles 16 à 20 n'ont pas pour effet, en ce qui a trait à la langue française ou anglaise ou à ces deux langues, de porter atteinte aux droits, privilèges ou obligations qui existent ou sont maintenus aux termes d'une autre disposition de la Constitution du Canada.

Maintien en vigueur de certaines dispositions

Rights and privileges preserved

22. Nothing in sections 16 to 20 abrogates or derogates from any legal or customary right or privilege acquired or enjoyed either before or after the coming into force of this Charter with respect to any language that is not English or French.

22. Les articles 16 à 20 n'ont pas pour effet de porter atteinte aux droits et privilèges, antérieurs ou postérieurs à l'entrée en vigueur de la présente charte et découlant de la loi ou de la coutume, des langues autres que le français ou l'anglais.

Droits préservés

Minority Language Educational Rights

Droits à l'instruction dans la langue de la minorité

Language of instruction

23. (1) Citizens of Canada

(*a*) whose first language learned and still understood is that of the English or French linguistic minority population of the province in which they reside, or

(*b*) who have received their primary school instruction in Canada in English or French and reside in a province where the language in which they received that instruction is the language of the English or French linguistic minority population of the province,

have the right to have their children receive primary and secondary school instruction in that language in that province.

23. (1) Les citoyens canadiens :

a) dont la première langue apprise et encore comprise est celle de la minorité francophone ou anglophone de la province où ils résident,

b) qui ont reçu leur instruction, au niveau primaire, en français ou en anglais au Canada et qui résident dans une province où la langue dans laquelle ils ont reçu cette instruction est celle de la minorité francophone ou anglophone de la province,

ont, dans l'un ou l'autre cas, le droit d'y faire instruire leurs enfants, aux niveaux primaire et secondaire, dans cette langue.

Langue d'instruction

Continuity of language instruction

(2) Citizens of Canada of whom any child has received or is receiving primary or secondary school instruction in English or French in Canada, have the right to have all their children receive primary and secondary school instruction in the same language.

(2) Les citoyens canadiens dont un enfant a reçu ou reçoit son instruction, au niveau primaire ou secondaire, en français ou en anglais au Canada ont le droit de faire instruire tous leurs enfants, aux niveaux primaire et secondaire, dans la langue de cette instruction.

Continuité d'emploi de la langue d'instruction

Application where numbers warrant

(3) The right of citizens of Canada under subsections (1) and (2) to have their children receive primary and secondary school instruction in the language of the English or French linguistic minority population of a province

(*a*) applies wherever in the province the number of children of citizens who have such a right is sufficient to warrant the provision to them out of public funds of minority language instruction; and

(*b*) includes, where the number of those children so warrants, the right to have them receive that instruction in minority language educational facilities provided out of public funds.

Justification par le nombre

(3) Le droit reconnu aux citoyens canadiens par les paragraphes (1) et (2) de faire instruire leurs enfants, aux niveaux primaire et secondaire, dans la langue de la minorité francophone ou anglophone d'une province :

a) s'exerce partout dans la province où le nombre des enfants des citoyens qui ont ce droit est suffisant pour justifier à leur endroit la prestation, sur les fonds publics, de l'instruction dans la langue de la minorité;

b) comprend, lorsque le nombre de ces enfants le justifie, le droit de les faire instruire dans des établissements d'enseignement de la minorité linguistique financés sur les fonds publics.

Enforcement

Recours

Enforcement of guaranteed rights and freedoms

24. (1) Anyone whose rights or freedoms, as guaranteed by this Charter, have been infringed or denied may apply to a court of competent jurisdiction to obtain such remedy as the court considers appropriate and just in the circumstances.

Recours en cas d'atteinte aux droits et libertés

24. (1) Toute personne, victime de violation ou de négation des droits ou libertés qui lui sont garantis par la présente charte, peut s'adresser à un tribunal compétent pour obtenir la réparation que le tribunal estime convenable et juste eu égard aux circonstances.

Exclusion of evidence bringing administration of justice into disrepute

(2) Where, in proceedings under subsection (1), a court concludes that evidence was obtained in a manner that infringed or denied any rights or freedoms guaranteed by this Charter, the evidence shall be excluded if it is established that, having regard to all the circumstances, the admission of it in the proceedings would bring the administration of justice into disrepute.

Irrecevabilité d'éléments de preuve qui risqueraient de déconsidérer l'administration de la justice

(2) Lorsque, dans une instance visée au paragraphe (1), le tribunal a conclu que des éléments de preuve ont été obtenus dans des conditions qui portent atteinte aux droits ou libertés garantis par la présente charte, ces éléments de preuve sont écartés s'il est établi, eu égard aux circonstances, que leur utilisation est susceptible de déconsidérer l'administration de la justice.

General

Dispositions générales

Aboriginal rights and freedoms not affected by Charter

25. The guarantee in this Charter of certain rights and freedoms shall not be construed so as to abrogate or derogate from any aboriginal, treaty or other rights or freedoms that pertain to the aboriginal peoples of Canada including

(*a*) any rights or freedoms that have been recognized by the Royal Proclamation of October 7, 1763; and

(*b*) any rights or freedoms that may be acquired by the aboriginal peoples of Canada by way of land claims settlement.

Maintien des droits et libertés des autochtones

25. Le fait que la présente charte garantit certains droits et libertés ne porte pas atteinte aux droits ou libertés — ancestraux, issus de traités ou autres — des peuples autochtones du Canada, notamment :

a) aux droits ou libertés reconnus par la Proclamation royale du 7 octobre 1763;

b) aux droits ou libertés acquis par règlement de revendications territoriales.

Other rights and freedoms not affected by Charter

26. The guarantee in this Charter of certain rights and freedoms shall not be con-

Maintien des autres droits et libertés

26. Le fait que la présente charte garantit certains droits et libertés ne constitue pas

strued as denying the existence of any other rights or freedoms that exist in Canada.

une négation des autres droits ou libertés qui existent au Canada.

Multicultural heritage

27. This Charter shall be interpreted in a manner consistent with the preservation and enhancement of the multicultural heritage of Canadians.

27. Toute interprétation de la présente charte doit concorder avec l'objectif de promouvoir le maintien et la valorisation du patrimoine multiculturel des Canadiens.

Maintien du patrimoine culturel

Rights guaranteed equally to both sexes

28. Notwithstanding anything in this Charter except section 33, the rights and freedoms referred to in it are guaranteed equally to male and female persons.

28. Indépendamment des autres dispositions de la présente charte, exception faite de l'article 33, les droits et libertés qui y sont mentionnés sont garantis également aux personnes des deux sexes.

Égalité de garantie des droits pour les deux sexes

Rights respecting certain schools preserved

29. Nothing in this Charter abrogates or derogates from any rights or privileges guaranteed by or under the Constitution of Canada in respect of denominational, separate or dissentient schools.

29. Les dispositions de la présente charte ne portent pas atteinte aux droits ou privilèges garantis en vertu de la Constitution du Canada concernant les écoles séparées et autres écoles confessionnelles.

Maintien des droits relatifs à certaines écoles

Application to territories and territorial authorities

30. A reference in this Charter to a province or to the legislative assembly or legislature of a province shall be deemed to include a reference to the Yukon Territory and the Northwest Territories, or to the appropriate legislative authority thereof, as the case may be.

30. Dans la présente charte, les dispositions qui visent les provinces, leur législature ou leur assemblée législative visent également le territoire du Yukon, les territoires du Nord-Ouest ou leurs autorités législatives compétentes.

Application aux territoires

Legislative powers not extended

31. Nothing in this Charter extends the legislative powers of any body or authority.

31. La présente charte n'élargit pas les compétences législatives de quelque organisme ou autorité que ce soit.

Non-élargissement des compétences législatives

Application of Charter

Application de la charte

Application of Charter

32. (1) This Charter applies

(*a*) to the Parliament and government of Canada in respect of all matters within the authority of Parliament including all matters relating to the Yukon Territory and Northwest Territories; and

(*b*) to the legislature and government of each province in respect of all matters within the authority of the legislature of each province.

32. (1) La présente charte s'applique :

a) au Parlement et au gouvernement du Canada, pour tous les domaines relevant du Parlement, y compris ceux qui concernent le territoire du Yukon et les territoires du Nord-Ouest;

b) à la législature et au gouvernement de chaque province, pour tous les domaines relevant de cette législature.

Application de la charte

Exception

(2) Notwithstanding subsection (1), section 15 shall not have effect until three years after this section comes into force.

(2) Par dérogation au paragraphe (1), l'article 15 n'a d'effet que trois ans après l'entrée en vigueur du présent article.

Restriction

Exception where express declaration

33. (1) Parliament or the legislature of a province may expressly declare in an Act of Parliament or of the legislature, as the case may be, that the Act or a provision thereof shall operate notwithstanding a provision included in section 2 or sections 7 to 15 of

33. (1) Le Parlement ou la législature d'une province peut adopter une loi où il est expressément déclaré que celle-ci ou une de ses dispositions a effet indépendamment d'une disposition donnée de l'article 2 ou des articles 7 à 15 de la présente charte, ou de

Dérogation par déclaration expresse

this Charter, or section 28 of this Charter in its application to discrimination based on sex referred to in section 15.

l'article 28 de cette charte dans son application à la discrimination fondée sur le sexe et mentionnée à l'article 15.

Operation of exception

(2) An Act or a provision of an Act in respect of which a declaration made under this section is in effect shall have such operation as it would have but for the provision of this Charter referred to in the declaration.

(2) La loi ou la disposition qui fait l'objet d'une déclaration conforme au présent article et en vigueur a l'effet qu'elle aurait sauf la disposition en cause de la charte.

Effet de la dérogation

Five year limitation

(3) A declaration made under subsection (1) shall cease to have effect five years after it comes into force or on such earlier date as may be specified in the declaration.

(3) La déclaration visée au paragraphe (1) cesse d'avoir effet à la date qui y est précisée ou, au plus tard, cinq ans après son entrée en vigueur.

Durée de validité

Re-enactment

(4) Parliament or a legislature of a province may re-enact a declaration made under subsection (1).

(4) Le Parlement ou une législature peut adopter de nouveau une déclaration visée au paragraphe (1).

Nouvelle adoption

Five year limitation

(5) Subsection (3) applies in respect of a re-enactment made under subsection (4).

(5) Le paragraphe (3) s'applique à toute déclaration adoptée sous le régime du paragraphe (4).

Durée de validité

Citation

Citation

34. This Part may be cited as the *Canadian Charter of Rights and Freedoms.*

Titre

34. Titre de la présente partie : *Charte canadienne des droits et libertés.*

Titre

PART II

EQUALIZATION AND REGIONAL DISPARITIES

PARTIE II

PÉRÉQUATION ET INÉGALITÉS RÉGIONALES

Commitment to promote equal opportunities

35. (1) Without altering the legislative authority of Parliament or of the provincial legislatures, or the rights of any of them with respect to the exercise of their legislative authority, Parliament and the legislatures, together with the government of Canada and the provincial governments, are committed to

(*a*) promoting equal opportunities for the well-being of Canadians;

(*b*) furthering economic development to reduce disparity in opportunities; and

(*c*) providing essential public services of reasonable quality to all Canadians.

35. (1) Sous réserve des compétences législatives du Parlement et des législatures et de leur droit de les exercer, le Parlement et les législatures, ainsi que les gouvernements fédéral et provinciaux, s'engagent à :

a) promouvoir l'égalité des chances de tous les Canadiens dans la recherche de leur bien-être;

b) favoriser le développement économique pour réduire l'inégalité des chances;

c) fournir à tous les Canadiens, à un niveau de qualité acceptable, les services publics essentiels.

Engagements relatifs à l'égalité des chances

Commitment respecting public services

(2) Parliament and the government of Canada are committed to the principle of making equalization payments to ensure that provincial governments have sufficient revenues to provide reasonably comparable levels of public services at reasonably comparable levels of taxation.

(2) Le Parlement et le gouvernement du Canada prennent l'engagement de principe de faire des paiements de péréquation propres à donner aux gouvernements provinciaux des revenus suffisants pour les mettre en mesure d'assurer les services publics à un niveau de qualité et de fiscalité sensiblement comparables.

Engagement relatif aux services publics

PART III

CONSTITUTIONAL CONFERENCE

Constitutional conference

36. (1) A constitutional conference composed of the Prime Minister of Canada and the first ministers of the provinces shall be convened by the Prime Minister of Canada within one year after this Part comes into force.

Participation of aboriginal peoples

(2) The conference convened under subsection (1) shall have included in its agenda an item respecting constitutional matters that directly affect the aboriginal peoples of Canada, including the identification and definition of the rights of those peoples to be included in the Constitution of Canada, and the Prime Minister of Canada shall invite representatives of those peoples to participate in the discussions on that item.

Participation of territories

(3) The Prime Minister of Canada shall invite elected representatives of the governments of the Yukon Territory and the Northwest Territories to participate in the discussions on any item on the agenda of the conference convened under subsection (1) that, in the opinion of the Prime Minister, directly affects the Yukon Territory and the Northwest Territories.

PARTIE III

CONFÉRENCE CONSTITUTIONNELLE

Conférence constitutionnelle

36. (1) Dans l'année suivant l'entrée en vigueur de la présente partie, le premier ministre du Canada convoque une conférence constitutionnelle réunissant les premiers ministres provinciaux et lui-même.

Participation des peuples autochtones

(2) Sont placées à l'ordre du jour de la conférence visée au paragraphe (1) les questions constitutionnelles qui intéressent directement les peuples autochtones du Canada, notamment la détermination et la définition des droits de ces peuples à inscrire dans la Constitution du Canada. Le premier ministre du Canada invite leurs représentants à participer aux travaux relatifs à ces questions.

Participation des territoires

(3) Le premier ministre du Canada invite des représentants élus des gouvernements du territoire du Yukon et des territoires du Nord-Ouest à participer aux travaux relatifs à toute question placée à l'ordre du jour de la conférence visée au paragraphe (1) et qui, selon lui, intéresse directement le territoire du Yukon et les territoires du Nord-Ouest.

PART IV

PROCEDURE FOR AMENDING CONSTITUTION OF CANADA

General procedure for amending Constitution of Canada

37. (1) An amendment to the Constitution of Canada may be made by proclamation issued by the Governor General under the Great Seal of Canada where so authorized by

(*a*) resolutions of the Senate and House of Commons; and

(*b*) resolutions of the legislative assemblies of at least two-thirds of the provinces that have, in the aggregate, according to the then latest general census, at least fifty per cent of the population of all the provinces.

Majority of members

(2) An amendment made under subsection (1) that derogates from the legislative powers, the proprietary rights or any other rights or privileges of the legislature or gov-

PARTIE IV

PROCÉDURE DE MODIFICATION DE LA CONSTITUTION DU CANADA

Procédure normale de modification

37. (1) La Constitution du Canada peut être modifiée par proclamation du gouverneur général sous le grand sceau du Canada, autorisée à la fois :

a) par des résolutions du Sénat et de la Chambre des communes;

b) par des résolutions des assemblées législatives d'au moins deux tiers des provinces dont la population confondue représente, selon le recensement général le plus récent à l'époque, au moins cinquante pour cent de la population de toutes les provinces.

Majorité simple

(2) Une modification faite conformément au paragraphe (1) mais dérogatoire à la compétence législative, aux droits de propriété ou à tous autres droits ou privilèges

ernment of a province shall require a resolution supported by a majority of the members of each of the Senate, the House of Commons and the legislative assemblies required under subsection (1).

d'une législature ou d'un gouvernement provincial exige une résolution adoptée à la majorité des sénateurs, des députés fédéraux et des députés de chacune des assemblées législatives du nombre requis de provinces.

Expression of dissent

(3) An amendment referred to in subsection (2) shall not have effect in a province the legislative assembly of which has expressed its dissent thereto by resolution supported by a majority of its members prior to the issue of the proclamation to which the amendment relates unless that legislative assembly, subsequently, by resolution supported by a majority of its members, revokes its dissent and authorizes the amendment.

Désaccord

(3) La modification visée au paragraphe (2) est sans effet dans une province dont l'assemblée législative a, avant la prise de la proclamation, exprimé son désaccord par une résolution adoptée à la majorité des députés, sauf si cette assemblée, par résolution également adoptée à la majorité, revient sur son désaccord et autorise la modification.

Revocation of dissent

(4) A resolution of dissent made for the purposes of subsection (3) may be revoked at any time before or after the issue of the proclamation to which it relates.

Levée du désaccord

(4) La résolution de désaccord visée au paragraphe (3) peut être révoquée à tout moment, indépendamment de la date de la proclamation à laquelle elle se rapporte.

Restriction on proclamation

38. (1) A proclamation shall not be issued under subsection 37(1) before the expiration of one year from the adoption of the resolution initiating the amendment procedure thereunder, unless the legislative assembly of each province has previously adopted a resolution of assent or dissent.

Restriction

38. (1) La proclamation visée au paragraphe 37(1) ne peut être prise dans l'année suivant l'adoption de la résolution à l'origine de la procédure de modification que si l'assemblée législative de chaque province a préalablement adopté une résolution d'agrément ou de désaccord.

Idem

(2) A proclamation shall not be issued under subsection 37(1) after the expiration of three years from the adoption of the resolution initiating the amendment procedure thereunder.

Idem

(2) La proclamation visée au paragraphe 37(1) ne peut être prise que dans les trois ans suivant l'adoption de la résolution à l'origine de la procédure de modification.

Compensation

39. Where an amendment is made under subsection 37(1) that transfers provincial legislative powers relating to education or other cultural matters from provincial legislatures to Parliament, Canada shall provide reasonable compensation to any province to which the amendment does not apply.

Compensation

39. Le Canada fournit une juste compensation aux provinces auxquelles ne s'applique pas une modification faite conformément au paragraphe 37(1) et relative, en matière d'éducation ou dans d'autres domaines culturels, à un transfert de compétences législatives provinciales au Parlement.

Amendment by unanimous consent

40. An amendment to the Constitution of Canada in relation to the following matters may be made by proclamation issued by the Governor General under the Great Seal of Canada only where authorized by resolutions of the Senate and House of Commons and of the legislative assembly of each province:

(*a*) the office of the Queen, the Governor General and the Lieutenant Governor of a province;

Consentement unanime

40. Toute modification de la Constitution du Canada portant sur les questions suivantes se fait par proclamation du gouverneur général sous le grand sceau du Canada, autorisée par des résolutions du Sénat, de la Chambre des communes et de l'assemblée législative de chaque province :

a) la charge de Reine, celle de gouverneur général et celle de lieutenant-gouverneur;

(*b*) the right of a province to a number of members in the House of Commons not less than the number of Senators by which the province is entitled to be represented at the time this Part comes into force;

(*c*) subject to section 42, the use of the English or the French language;

(*d*) the composition of the Supreme Court of Canada; and

(*e*) an amendment to this Part.

b) le droit d'une province d'avoir à la Chambre des communes un nombre de députés au moins égal à celui des sénateurs par lesquels elle est habilitée à être représentée lors de l'entrée en vigueur de la présente partie;

c) sous réserve de l'article 42, l'usage du français ou de l'anglais;

d) la composition de la Cour suprême du Canada;

e) la modification de la présente partie.

Amendment by general procedure

41. (1) An amendment to the Constitution of Canada in relation to the following matters may be made only in accordance with subsection 37(1):

(*a*) the principle of proportionate representation of the provinces in the House of Commons prescribed by the Constitution of Canada;

(*b*) the powers of the Senate and the method of selecting Senators;

(*c*) the number of members by which a province is entitled to be represented in the Senate and the residence qualifications of Senators;

(*d*) subject to paragraph 40(*d*), the Supreme Court of Canada;

(*e*) the extension of existing provinces into the territories; and

(*f*) notwithstanding any other law or practice, the establishment of new provinces.

Procédure normale de modification

41. (1) Toute modification de la Constitution du Canada portant sur les questions suivantes se fait conformément au paragraphe 37(1) :

a) le principe de la représentation proportionnelle des provinces à la Chambre des communes prévu par la Constitution du Canada;

b) les pouvoirs du Sénat et le mode de sélection des sénateurs;

c) le nombre des sénateurs par lesquels une province est habilitée à être représentée et les conditions de résidence qu'ils doivent remplir;

d) sous réserve de l'alinéa 40*d*), la Cour suprême du Canada;

e) le rattachement aux provinces existantes de tout ou partie des territoires;

f) par dérogation à toute autre loi ou usage, la création de provinces.

Exception

(2) Subsections 37(2) to (4) do not apply in respect of amendments in relation to matters referred to in subsection (1).

Exception

(2) Les paragraphes 37(2) à (4) ne s'appliquent pas aux questions mentionnées au paragraphe (1).

Amendment of provisions relating to some but not all provinces

42. An amendment to the Constitution of Canada in relation to any provision that applies to one or more, but not all, provinces, including

(*a*) any alteration to boundaries between provinces, and

(*b*) any amendment to any provision that relates to the use of the English or the French language within a province,

may be made by proclamation issued by the Governor General under the Great Seal of Canada only where so authorized by resolutions of the Senate and House of Commons

Modification à l'égard de certaines provinces

42. Les dispositions de la Constitution du Canada applicables à certaines provinces seulement ne peuvent être modifiées que par proclamation du gouverneur général sous le grand sceau du Canada, autorisée par des résolutions du Sénat, de la Chambre des communes et de l'assemblée législative de chaque province concernée. Le présent article s'applique notamment :

a) aux changements du tracé des frontières interprovinciales;

b) aux modifications des dispositions relatives à l'usage du français ou de l'anglais dans une province.

and of the legislative assembly of each province to which the amendment applies.

Amendments by Parliament

43. Subject to sections 40 and 41, Parliament may exclusively make laws amending the Constitution of Canada in relation to the executive government of Canada or the Senate and House of Commons.

Modification par le Parlement

43. Sous réserve des articles 40 et 41, le Parlement a compétence exclusive pour modifier les dispositions de la Constitution du Canada relatives au pouvoir exécutif fédéral, au Sénat ou à la Chambre des communes.

Amendments by provincial legislatures

44. Subject to section 40, the legislature of each province may exclusively make laws amending the constitution of the province.

Modification par les législatures

44. Sous réserve de l'article 40, une législature a compétence exclusive pour modifier la constitution de sa province.

Initiation of amendment procedures

45. (1) The procedures for amendment under sections 37, 40, 41 and 42 may be initiated either by the Senate or the House of Commons or by the legislative assembly of a province.

Initiative des procédures

45. (1) L'initiative des procédures de modification visées aux articles 37, 40, 41 et 42 appartient au Sénat, à la Chambre des communes ou à une assemblée législative.

Revocation of authorization

(2) A resolution of assent made for the purposes of this Part may be revoked at any time before the issue of a proclamation authorized by it.

Possibilité de révocation

(2) Une résolution d'agrément adoptée dans le cadre de la présente partie peut être révoquée à tout moment avant la date de la proclamation qu'elle autorise.

Amendments without Senate resolution

46. (1) An amendment to the Constitution of Canada made by proclamation under section 37, 40, 41 or 42 may be made without a resolution of the Senate authorizing the issue of the proclamation if, within one hundred and eighty days after the adoption by the House of Commons of a resolution authorizing its issue, the Senate has not adopted such a resolution and if, at any time after the expiration of that period, the House of Commons again adopts the resolution.

Modification sans résolution du Sénat

46. (1) Dans les cas visés à l'article 37, 40, 41 ou 42, il peut être passé outre au défaut d'autorisation du Sénat si celui-ci n'a pas adopté de résolution dans un délai de cent quatre-vingts jours suivant l'adoption de celle de la Chambre des communes et si cette dernière, après l'expiration du délai, adopte une nouvelle résolution dans le même sens.

Computation of period

(2) Any period when Parliament is prorogued or dissolved shall not be counted in computing the one hundred and eighty day period referred to in subsection (1).

Computation du délai

(2) Dans la computation du délai visé au paragraphe (1), ne sont pas comptées les périodes pendant lesquelles le Parlement est prorogé ou dissous.

Advice to issue proclamation

47. The Queen's Privy Council for Canada shall advise the Governor General to issue a proclamation under this Part forthwith on the adoption of the resolutions required for an amendment made by proclamation under this Part.

Demande de proclamation

47. Le Conseil privé de la Reine pour le Canada demande au gouverneur général de prendre, conformément à la présente partie, une proclamation dès l'adoption des résolutions prévues par cette partie pour une modification par proclamation.

Constitutional conference

48. A constitutional conference composed of the Prime Minister of Canada and the first ministers of the provinces shall be convened by the Prime Minister of Canada within fifteen years after this Part comes into force to review the provisions of this Part.

Conférence constitutionnelle

48. Dans les quinze ans suivant l'entrée en vigueur de la présente partie, le premier ministre du Canada convoque une conférence constitutionnelle réunissant les premiers ministres provinciaux et lui-même, en vue du réexamen des dispositions de cette partie.

PART V

AMENDMENT TO THE CONSTITUTION ACT, 1867

Amendment to *Constitution Act, 1867*

49. The *Constitution Act, 1867* (formerly named the *British North America Act, 1867*) is amended by adding thereto, immediately after section 92 thereof, the following heading and section:

"Non-Renewable Natural Resources, Forestry Resources and Electrical Energy

Laws respecting non-renewable natural resources, forestry resources and electrical energy

92A. (1) In each province, the legislature may exclusively make laws in relation to

(*a*) exploration for non-renewable natural resources in the province;

(*b*) development, conservation and management of non-renewable natural resources and forestry resources in the province, including laws in relation to the rate of primary production therefrom; and

(*c*) development, conservation and management of sites and facilities in the province for the generation and production of electrical energy.

Export from provinces of resources

(2) In each province, the legislature may make laws in relation to the export from the province to another part of Canada of the primary production from non-renewable natural resources and forestry resources in the province and the production from facilities in the province for the generation of electrical energy, but such laws may not authorize or provide for discrimination in prices or in supplies exported to another part of Canada.

Authority of Parliament

(3) Nothing in subsection (2) derogates from the authority of Parliament to enact laws in relation to the matters referred to in that subsection and, where such a law of Parliament and a law of a province conflict, the law of Parliament prevails to the extent of the conflict.

PARTIE V

MODIFICATION DE LA LOI CONSTITUTIONNELLE DE 1867

Modification de la *Loi constitutionnelle de 1867*

49. La *Loi constitutionnelle de 1867* (antérieurement désignée sous le titre : *Acte de l'Amérique du Nord britannique, 1867*) est modifiée par insertion, après l'article 92, de la rubrique et de l'article suivants :

«Ressources naturelles non renouvelables, ressources forestières et énergie électrique

Compétence provinciale

92A. (1) La législature de chaque province a compétence exclusive pour légiférer dans les domaines suivants :

a) prospection des ressources naturelles non renouvelables de la province;

b) exploitation, conservation et gestion des ressources naturelles non renouvelables et des ressources forestières de la province, y compris leur rythme de production primaire;

c) aménagement, conservation et gestion des emplacements et des installations de la province destinés à la production d'énergie électrique.

Exportation hors des provinces

(2) La législature de chaque province a compétence pour légiférer en ce qui concerne l'exportation, hors de la province, à destination d'une autre partie du Canada, de la production primaire tirée des ressources naturelles non renouvelables et des ressources forestières de la province, ainsi que de la production d'énergie électrique de la province, sous réserve de ne pas adopter de lois autorisant ou prévoyant des disparités de prix ou des disparités dans les exportations destinées à une autre partie du Canada.

Pouvoir du Parlement

(3) Le paragraphe (2) ne porte pas atteinte au pouvoir du Parlement de légiférer dans les domaines visés à ce paragraphe, les dispositions d'une loi du Parlement adoptée dans ces domaines l'emportant sur les dispositions incompatibles d'une loi provinciale.

The Constitution

Taxation of resources

(4) In each province, the legislature may make laws in relation to the raising of money by any mode or system of taxation in respect of

(*a*) non-renewable natural resources and forestry resources in the province and the primary production therefrom, and

(*b*) sites and facilities in the province for the generation of electrical energy and the production therefrom,

whether or not such production is exported in whole or in part from the province, but such laws may not authorize or provide for taxation that differentiates between production exported to another part of Canada and production not exported from the province.

"Primary production"

(5) The expression "primary production" has the meaning assigned by the Sixth Schedule.

Existing powers or rights

(6) Nothing in subsections (1) to (5) derogates from any powers or rights that a legislature or government of a province had immediately before the coming into force of this section."

Idem

50. The said Act is further amended by adding thereto the following Schedule:

"THE SIXTH SCHEDULE

Primary Production from Non-Renewable Natural Resources and Forestry Resources

1. For the purposes of section 92A of this Act,

(*a*) production from a non-renewable natural resource is primary production therefrom if

(i) it is in the form in which it exists upon its recovery or severance from its natural state, or

Taxation des ressources

(4) La législature de chaque province a compétence pour prélever des sommes d'argent par tout mode ou système de taxation :

a) des ressources naturelles non renouvelables et des ressources forestières de la province, ainsi que de la production primaire qui en est tirée;

b) des emplacements et des installations de la province destinés à la production d'énergie électrique, ainsi que de cette production même.

Cette compétence peut s'exercer indépendamment du fait que la production en cause soit ou non, en totalité ou en partie, exportée hors de la province, mais les lois adoptées dans ces domaines ne peuvent autoriser ou prévoir une taxation qui établisse une distinction entre la production exportée à destination d'une autre partie du Canada et la production non exportée hors de la province.

«Production primaire»

(5) L'expression «production primaire» a le sens qui lui est donné dans la sixième annexe.

Pouvoirs ou droits existants

(6) Les paragraphes (1) à (5) ne portent pas atteinte aux pouvoirs ou droits détenus par la législature ou le gouvernement d'une province lors de l'entrée en vigueur du présent article.»

Idem

50. Ladite loi est en outre modifiée par adjonction de l'annexe suivante :

«SIXIÈME ANNEXE

Production primaire tirée des ressources naturelles non renouvelables et des ressources forestières

1. Pour l'application de l'article 92A :

a) on entend par production primaire tirée d'une ressource naturelle non renouvelable :

(i) soit le produit qui se présente sous la même forme que lors de son extraction du milieu naturel,

(ii) soit le produit non manufacturé de la transformation, du raffinage ou de

(ii) it is a product resulting from processing or refining the resource, and is not a manufactured product or a product resulting from refining crude oil, refining upgraded heavy crude oil, refining gases or liquids derived from coal or refining a synthetic equivalent of crude oil; and

(*b*) production from a forestry resource is primary production therefrom if it consists of sawlogs, poles, lumber, wood chips, sawdust or any other primary wood product, or wood pulp, and is not a product manufactured from wood."

l'affinage d'une ressource, à l'exception du produit du raffinage du pétrole brut, du raffinage du pétrole brut lourd amélioré, du raffinage des gaz ou des liquides dérivés du charbon ou du raffinage d'un équivalent synthétique du pétrole brut;

b) on entend par production primaire tirée d'une ressource forestière la production constituée de billots, de poteaux, de bois d'œuvre, de copeaux, de sciure ou d'autre produit primaire du bois, ou de pâte de bois, à l'exception d'un produit manufacturé en bois.»

PART VI

GENERAL

PARTIE VI

DISPOSITIONS GÉNÉRALES

Primacy of Constitution of Canada

51. (1) The Constitution of Canada is the supreme law of Canada, and any law that is inconsistent with the provisions of the Constitution is, to the extent of the inconsistency, of no force or effect.

51. (1) La Constitution du Canada est la loi suprême du Canada; elle rend inopérantes les dispositions incompatibles de toute autre règle de droit.

Primauté de la Constitution du Canada

Constitution of Canada

(2) The Constitution of Canada includes

(*a*) the *Canada Act*, including this Act;

(*b*) the Acts and orders referred to in Schedule I; and

(*c*) any amendment to any Act or order referred to in paragraph (*a*) or (*b*).

(2) La Constitution du Canada comprend :

a) la *Loi sur le Canada*, y compris la présente loi;

b) les textes législatifs et les décrets figurant à l'annexe I;

c) les modifications des textes législatifs et des décrets mentionnés aux alinéas *a*) ou *b*).

Constitution du Canada

Amendments to Constitution of Canada

(3) Amendments to the Constitution of Canada shall be made only in accordance with the authority contained in the Constitution of Canada.

(3) La Constitution du Canada ne peut être modifiée que conformément aux pouvoirs conférés par elle.

Modification

Repeals and new names

52. (1) The enactments referred to in Column I of Schedule I are hereby repealed or amended to the extent indicated in Column II thereof and, unless repealed, shall continue as law in Canada under the names set out in Column III thereof.

52. (1) Les textes législatifs et les décrets énumérés à la colonne I de l'annexe I sont abrogés ou modifiés dans la mesure indiquée à la colonne II. Sauf abrogation, ils restent en vigueur en tant que lois du Canada sous les titres mentionnés à la colonne III.

Abrogation et nouveaux titres

Consequential amendments

(2) Every enactment, except the *Canada Act*, that refers to an enactment referred to in Schedule I by the name in Column I thereof is hereby amended by substituting for that name the corresponding name in Column III thereof, and any British North America Act not referred to in Schedule I may be cited as the *Constitution Act* fol-

(2) Tout texte législatif ou réglementaire, sauf la *Loi sur le Canada,* qui fait mention d'un texte législatif ou décret figurant à l'annexe I par le titre indiqué à la colonne I est modifié par substitution à ce titre du titre correspondant mentionné à la colonne III; tout Acte de l'Amérique du Nord britannique non mentionné à l'annexe I peut être cité sous le titre de *Loi constitutionnelle* suivi de

Modifications corrélatives

lowed by the year and number, if any, of its enactment.

l'indication de l'année de son adoption et éventuellement de son numéro.

Repeal and consequential amendments

53. Part III is repealed on the day that is one year after this Part comes into force and this section may be repealed and this Act renumbered, consequential upon the repeal of Part III and this section, by proclamation issued by the Governor General under the Great Seal of Canada.

53. La partie III est abrogée un an après l'entrée en vigueur de la présente partie et le gouverneur général peut, par proclamation sous le grand sceau du Canada, abroger le présent article et apporter en conséquence de cette double abrogation les aménagements qui s'imposent à la présente loi.

Abrogation et modifications qui en découlent

French version of Constitution of Canada

54. A French version of the portions of the Constitution of Canada referred to in Schedule I shall be prepared by the Minister of Justice of Canada as expeditiously as possible and, when any portion thereof sufficient to warrant action being taken has been so prepared, it shall be put forward for enactment by proclamation issued by the Governor General under the Great Seal of Canada pursuant to the procedure then applicable to an amendment of the same provisions of the Constitution of Canada.

54. Le ministre de la Justice du Canada est chargé de rédiger, dans les meilleurs délais, la version française des parties de la Constitution du Canada qui figurent à l'annexe I; toute partie suffisamment importante est, dès qu'elle est prête, déposée pour adoption par proclamation du gouverneur général sous le grand sceau du Canada, conformément à la procédure applicable à l'époque à la modification des dispositions constitutionnelles qu'elle contient.

Version française de certains textes constitutionnels

English and French versions of certain constitutional texts

55. Where any portion of the Constitution of Canada has been or is enacted in English and French or where a French version of any portion of the Constitution is enacted pursuant to section 54, the English and French versions of that portion of the Constitution are equally authoritative.

55. Les versions française et anglaise des parties de la Constitution du Canada adoptées dans ces deux langues ont également force de loi. En outre, ont également force de loi, dès l'adoption, dans le cadre de l'article 54, d'une partie de la version française de la Constitution, cette partie et la version anglaise correspondante.

Versions française et anglaise de certains textes constitutionnels

English and French versions of this Act

56. The English and French versions of this Act are equally authoritative.

56. Les versions française et anglaise de la présente loi ont également force de loi.

Versions française et anglaise de la présente loi

Commencement

57. Subject to section 58, this Act shall come into force on a day to be fixed by proclamation issued by the Queen or the Governor General under the Great Seal of Canada.

57. Sous réserve de l'article 58, la présente loi entre en vigueur à la date fixée par proclamation de la Reine ou du gouverneur général sous le grand sceau du Canada.

Entrée en vigueur

Commencement of paragraph 23(1)(*a*) in respect of Quebec

58. (1) Paragraph 23(1)(*a*) shall come into force in respect of Quebec on a day to be fixed by proclamation issued by the Queen or the Governor General under the Great Seal of Canada.

58. (1) L'alinéa 23(1)*a*) entre en vigueur pour le Québec à la date fixée par proclamation de la Reine ou du gouverneur général sous le grand sceau du Canada.

Entrée en vigueur de l'alinéa 23(1)*a*) pour le Québec

Authorization of Quebec

(2) A proclamation under subsection (1) shall be issued only where authorized by the legislative assembly or government of Quebec.

(2) La proclamation visée au paragraphe (1) ne peut être prise qu'après autorisation de l'assemblée législative ou du gouvernement du Québec.

Autorisation du Québec

Repeal of this section

(3) This section may be repealed on the day paragraph 23(1)(*a*) comes into force in respect of Quebec and this Act amended and renumbered, consequential upon the repeal of this section, by proclamation issued by the Queen or the Governor General under the Great Seal of Canada.

Abrogation du présent article

(3) Le présent article peut être abrogé à la date d'entrée en vigueur de l'alinéa 23(1)*a*) pour le Québec, et la présente loi faire l'objet, dès cette abrogation, des modifications et changements de numérotation qui en découlent, par proclamation de la Reine ou du gouverneur général sous le grand sceau du Canada.

Short title and citations

59. This Act may be cited as the *Constitution Act, 1981*, and the Constitution Acts 1867 to 1975 (No. 2) and this Act may be cited together as the *Constitution Acts, 1867 to 1981*.

Titres

59. Titre abrégé de la présente annexe : *Loi constitutionnelle de 1981*; titre commun des lois constitutionnelles de 1867 à 1975 (nº 2) et de la présente loi : *Lois constitutionnelles de 1867 à 1981*.

SCHEDULE I

to the

CONSTITUTION ACT, 1981

MODERNIZATION OF THE CONSTITUTION

Item	Column I Act Affected	Column II Amendment	Column III New Name
1.	British North America Act, 1867, 30-31 Vict., c. 3 (U.K.)	(1) Section 1 is repealed and the following substituted therefor: "1. This Act may be cited as the *Constitution Act, 1867*." (2) Section 20 is repealed. (3) Class 1 of section 91 is repealed. (4) Class 1 of section 92 is repealed.	Constitution Act, 1867
2.	An Act to amend and continue the Act 32-33 Victoria chapter 3; and to establish and provide for the Government of the Province of Manitoba, 1870, 33 Vict., c. 3 (Can.)	(1) The long title is repealed and the following substituted therefor: "*Manitoba Act, 1870*." (2) Section 20 is repealed.	Manitoba Act, 1870
3.	Order of Her Majesty in Council admitting Rupert's Land and the North-Western Territory into the union, dated the 23rd day of June, 1870		Rupert's Land and North-Western Territory Order
4.	Order of Her Majesty in Council admitting British Columbia into the Union, dated the 16th day of May, 1871		British Columbia Terms of Union
5.	British North America Act, 1871, 34-35 Vict., c. 28 (U.K.)	Section 1 is repealed and the following substituted therefor: "1. This Act may be cited as the *Constitution Act, 1871*."	Constitution Act, 1871
6.	Order of Her Majesty in Council admitting Prince Edward Island into the Union, dated the 26th day of June, 1873		Prince Edward Island Terms of Union
7.	Parliament of Canada Act, 1875, 38-39 Vict., c. 38 (U.K.)		Parliament of Canada Act, 1875
8.	Order of Her Majesty in Council admitting all British possessions and Territories in North America and islands adjacent thereto into the Union, dated the 31st day of July, 1880		Adjacent Territories Order

ANNEXE I

LOI CONSTITUTIONNELLE DE 1981

ACTUALISATION DE LA CONSTITUTION

	Colonne I Loi visée	Colonne II Modification	Colonne III Nouveau titre
1.	Acte de l'Amérique du Nord britannique, 1867, 30-31 Vict., c. 3 (R.-U.)	(1) L'article 1 est abrogé et remplacé par ce qui suit : «1. Titre abrégé : *Loi constitutionnelle de 1867*.» (2) L'article 20 est abrogé. (3) La catégorie 1 de l'article 91 est abrogée. (4) La catégorie 1 de l'article 92 est abrogée.	Loi constitutionnelle de 1867
2.	Acte pour amender et continuer l'acte trente-deux et trente-trois Victoria, chapitre trois, et pour établir et constituer le gouvernement de la province de Manitoba, 1870, 33 Vict., c. 3 (Canada)	(1) Le titre complet est abrogé et remplacé par ce qui suit : «*Loi de 1870 sur le Manitoba*.» (2) L'article 20 est abrogé.	Loi de 1870 sur le Manitoba
3.	Arrêté en conseil de Sa Majesté admettant la Terre de Rupert et le Territoire du Nord-Ouest, en date du 23 juin 1870		Décret en conseil sur la terre de Rupert et le territoire du Nord-Ouest
4.	Arrêté en conseil de Sa Majesté admettant la Colombie-Britannique, en date du 16 mai 1871		Conditions de l'adhésion de la Colombie-Britannique
5.	Acte de l'Amérique du Nord britannique, 1871, 34-35 Vict., c. 28 (R.-U.)	L'article 1 est abrogé et remplacé par ce qui suit : «1. Titre abrégé : *Loi constitutionnelle de 1871*.»	Loi constitutionnelle de 1871
6.	Arrêté en conseil de Sa Majesté admettant l'Île-du-Prince-Édouard, en date du 26 juin 1873		Conditions de l'adhésion de l'Île-du-Prince-Édouard
7.	Acte du Parlement du Canada, 1875, 38-39 Vict., c. 38 (R.-U.)		Loi de 1875 sur le Parlement du Canada
8.	Arrêté en conseil de Sa Majesté admettant dans l'Union tous les territoires et possessions britanniques dans l'Amérique du Nord, et les îles adjacentes à ces territoires et possessions, en date du 31 juillet 1880		Décret en conseil sur les territoires adjacents

SCHEDULE I

to the

CONSTITUTION ACT, 1981—*Continued*

Item	Column I Act Affected	Column II Amendment	Column III New Name
9.	British North America Act, 1886, 49-50 Vict., c. 35 (U.K.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Constitution Act, 1886*."	Constitution Act, 1886
10.	Canada (Ontario Boundary) Act, 1889, 52-53 Vict., c. 28 (U.K.)		Canada (Ontario Boundary) Act, 1889
11.	Canadian Speaker (Appointment of Deputy) Act, 1895, 2nd Sess., 59 Vict., c. 3 (U.K.)	The Act is repealed.	
12.	The Alberta Act, 1905, 4-5 Edw. VII, c. 3 (Can.)		Alberta Act
13.	The Saskatchewan Act, 1905, 4-5 Edw. VII, c. 42 (Can.)		Saskatchewan Act
14.	British North America Act, 1907, 7 Edw. VII, c. 11 (U.K.)	Section 2 is repealed and the following substituted therefor: "2. This Act may be cited as the *Constitution Act, 1907*."	Constitution Act, 1907
15.	British North America Act, 1915, 5-6 Geo. V, c. 45 (U.K.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Constitution Act, 1915*."	Constitution Act, 1915
16.	British North America Act, 1930, 20-21 Geo. V, c. 26 (U.K.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Constitution Act, 1930*."	Constitution Act, 1930
17.	Statute of Westminster, 1931, 22 Geo. V, c. 4 (U.K.)	In so far as they apply to Canada, (*a*) section 4 is repealed; and (*b*) subsection 7(1) is repealed.	Statute of Westminster, 1931
18.	British North America Act, 1940, 3-4 Geo. VI, c. 36 (U.K.)	Section 2 is repealed and the following substituted therefor: "2. This Act may be cited as the *Constitution Act, 1940*."	Constitution Act, 1940
19.	British North America Act, 1943, 6-7 Geo. VI, c. 30 (U.K.)	The Act is repealed.	

ANNEXE I (*suite*)

LOI CONSTITUTIONNELLE DE 1981

	Colonne I Loi visée	Colonne II Modification	Colonne III Nouveau titre
9.	Acte de l'Amérique du Nord britannique, 1886, 49-50 Vict., c. 35 (R.-U.)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi constitutionnelle de 1886*.»	Loi constitutionnelle de 1886
10.	Acte du Canada (limites d'Ontario) 1889, 52-53 Vict., c. 28 (R.-U.)		Loi de 1889 sur le Canada (frontières de l'Ontario)
11.	Acte concernant l'Orateur canadien (nomination d'un suppléant) 1895, 2e session, 59 Vict., c. 3 (R.-U.)	La loi est abrogée.	
12.	Acte de l'Alberta, 1905, 4-5 Ed. VII, c. 3 (Canada)		Loi sur l'Alberta
13.	Acte de la Saskatchewan, 1905, 4-5 Ed. VII, c. 42 (Canada)		Loi sur la Saskatchewan
14.	Acte de l'Amérique du Nord britannique, 1907, 7 Ed. VII, c. 11 (R.-U.)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé : *Loi constitutionnelle de 1907*.»	Loi constitutionnelle de 1907
15.	Acte de l'Amérique du Nord britannique, 1915, 5-6 Geo. V, c. 45 (R.-U.)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi constitutionnelle de 1915*.»	Loi constitutionnelle de 1915
16.	Acte de l'Amérique du Nord britannique, 1930, 20-21 Geo. V, c. 26 (R.-U.)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi constitutionnelle de 1930*.»	Loi constitutionnelle de 1930
17.	Statut de Westminster, 1931, 22 Geo. V, c. 4 (R.-U.)	Dans la mesure où ils s'appliquent au Canada : *a*) l'article 4 est abrogé; *b*) le paragraphe 7(1) est abrogé.	Statut de Westminster de 1931
18.	Acte de l'Amérique du Nord britannique, 1940, 3-4 Geo. VI, c. 36 (R.-U.)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé : *Loi constitutionnelle de 1940*.»	Loi constitutionnelle de 1940
19.	Acte de l'Amérique du Nord britannique, 1943, 6-7 Geo. VI, c. 30 (R.-U.)	La loi est abrogée.	

SCHEDULE I

to the

CONSTITUTION ACT, 1981—*Continued*

Item	Column I Act Affected	Column II Amendment	Column III New Name
20.	British North America Act, 1946, 9-10 Geo. VI, c. 63 (U.K.)	The Act is repealed.	
21.	British North America Act, 1949, 12-13 Geo. VI, c. 22 (U.K.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Newfoundland Act*."	Newfoundland Act
22.	British North America (No. 2) Act, 1949, 13 Geo. VI, c. 81 (U.K.)	The Act is repealed.	
23.	British North America Act, 1951, 14-15 Geo. VI, c. 32 (U.K.)	The Act is repealed.	
24.	British North America Act, 1952, 1 Eliz. II, c. 15 (Can.)	The Act is repealed.	
25.	British North America Act, 1960, 9 Eliz. II, c. 2 (U.K.)	Section 2 is repealed and the following substituted therefor: "2. This Act may be cited as the *Constitution Act, 1960*."	Constitution Act, 1960
26.	British North America Act, 1964, 12-13 Eliz. II, c. 73 (U.K.)	Section 2 is repealed and the following substituted therefor: "2. This Act may be cited as the *Constitution Act, 1964*."	Constitution Act, 1964
27.	British North America Act, 1965, 14 Eliz. II, c. 4, Part I (Can.)	Section 2 is repealed and the following substituted therefor: "2. This Part may be cited as the *Constitution Act, 1965*."	Constitution Act, 1965
28.	British North America Act, 1974, 23 Eliz. II, c. 13, Part I (Can.)	Section 3, as amended by 25-26 Eliz. II, c. 28, s. 38(1) (Can.) is repealed and the following substituted therefor: "3. This Part may be cited as the *Constitution Act, 1974*."	Constitution Act, 1974

ANNEXE I (*suite*)

LOI CONSTITUTIONNELLE DE 1981

	Colonne I Loi visée	Colonne II Modification	Colonne III Nouveau titre
20.	Acte de l'Amérique du Nord britannique, 1946, 9-10 Geo. VI, c. 63 (R.-U.)	La loi est abrogée.	
21.	Acte de l'Amérique du Nord britannique, 1949, 12-13 Geo. VI, c. 22 (R.-U.)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi sur Terre-Neuve.*»	Loi sur Terre-Neuve
22.	Acte de l'Amérique du Nord britannique (N° 2), 1949, 13 Geo. VI, c. 81 (R.-U.)	La loi est abrogée.	
23.	Acte de l'Amérique du Nord britannique, 1951, 14-15 Geo. VI, c. 32 (R.-U.)	La loi est abrogée.	
24.	Acte de l'Amérique du Nord britannique, 1952, 1 Eliz. II, c. 15 (Canada)	La loi est abrogée.	
25.	Acte de l'Amérique du Nord britannique, 1960, 9 Eliz. II, c. 2 (R.-U.)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé : *Loi constitutionnelle de 1960.*»	Loi constitutionnelle de 1960
26.	Acte de l'Amérique du Nord britannique, 1964, 12-13 Eliz. II, c. 73 (R.-U.)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé : *Loi constitutionnelle de 1964.*»	Loi constitutionnelle de 1964
27.	Acte de l'Amérique du Nord britannique, 1965, 14 Eliz. II, c. 4, Partie I (Canada)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé de la présente partie : *Loi constitutionnelle de 1965.*»	Loi constitutionnelle de 1965
28.	Acte de l'Amérique du Nord britannique, 1974, 23 Eliz. II, c. 13, Partie I (Canada)	L'article 3, modifié par le paragraphe 38(1) de la loi 25-26 Elizabeth II, c. 28 (Canada), est abrogé et remplacé par ce qui suit : «3. Titre abrégé de la présente partie : *Loi constitutionnelle de 1974.*»	Loi constitutionnelle de 1974

SCHEDULE I

to the

CONSTITUTION ACT, 1981—*Concluded*

Item	Column I Act Affected	Column II Amendment	Column III New Name
29.	British North America Act, 1975, 23-24 Eliz. II, c. 28, Part I (Can.)	Section 3, as amended by 25-26 Eliz. II, c. 28, s. 31 (Can.) is repealed and the following substituted therefor: "3. This Part may be cited as the *Constitution Act (No. 1), 1975*."	Constitution Act (No. 1), 1975
30.	British North America Act (No. 2), 1975, 23-24 Eliz. II, c. 53 (Can.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Constitution Act (No. 2), 1975*."	Constitution Act (No. 2), 1975

ANNEXE I (*fin*)

LOI CONSTITUTIONNELLE DE 1981

	Colonne I Loi visée	Colonne II Modification	Colonne III Nouveau titre
29.	Acte de l'Amérique du Nord britannique, 1975, 23-24 Eliz. II, c. 28, Partie I (Canada)	L'article 3, modifié par l'article 31 de la loi 25-26 Elizabeth II, c. 28 (Canada), est abrogé et remplacé par ce qui suit : «3. Titre abrégé de la présente partie : *Loi constitutionnelle n° 1 de 1975.*»	Loi constitutionnelle n° 1 de 1975
30.	Acte de l'Amérique du Nord britannique n° 2, 1975, 23-24 Eliz. II, c. 53 (Canada)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi constitutionnelle n° 2 de 1975.*»	Loi constitutionnelle n° 2 de 1975

He said: Madam Speaker, in introducing the resolution preceding confederation in the Parliament of Canada, Sir John A. Macdonald stated:

> The whole scheme of confederation, as propounded by the conference, as agreed to and sanctioned by the Canadian government, and as now presented for the consideration of the people and the legislature, bears upon its face the marks of compromise. Of necessity there must have been a great deal of mutual concession. If we had not felt that we were bound to set aside our private opinions on matters of detail, if we had not felt ourselves bound to look at what was practicable, not obstinately rejecting the opinions of others nor adhering to our own; if we had not met in a spirit of conciliation, we never would have succeeded.

It is with pride that I am able today to introduce a constitutional resolution supported by all governments who believe in a strong and united Canada.

Some hon. Members: Hear, hear!

Mr. Chrétien: The resolution before this House is the product of a consensus among governments; but, equally important, it reflects the values, aspirations, the hopes and dreams of an overwhelming majority of Canadians.

Before I explain the content of the resolution, I want to pay tribute to the members of my caucus and to my colleagues in the cabinet for their collaboration, their advice and their total support over the last 18 months. I want to pay a particular tribute to the Prime Minister (Mr. Trudeau) for this historic achievement.

Some hon. Members: Hear, hear!

Mr. Chrétien: I want to thank other members of the House of Commons for their constructive advice and support. I want also to pay tribute to my colleagues in provincial governments who worked hard to achieve consensus two weeks ago. I want to thank the thousands of Canadians who contributed so much to the work of the parliamentary committee. And I want to point out to Canadians the role of the Leader of the Opposition (Mr. Clark), who spent a year telling us that process is more important than substance. I am sure that in this debate he will criticize the substance resulting from the process.

Some hon. Members: Oh, oh!

Mr. Chrétien: In 1865, George Brown told the Parliament of Canada:

> The whole great ends of this confederation may not be realized in the lifetime of many who now hear me. We imagine not that such a structure can be built in a month or in a year. What we propose now is but to lay the foundations of the structure, to set in motion the governmental machinery that will one day, we trust, extend from the Atlantic to the Pacific.

Today we have the opportunity to complete and expand that structure. The resolution before this House provides for the patriation of the Constitution. After 114 years, Canada will finally have achieved its full legal independence. No longer will it be necessary to go to the Parliament of another country to amend our Constitution.

[*Translation*]

The resolution provides as well for an amending formula, that is, a mechanism which will enable us to make future changes to our Constitution. This is extremely important because today marks the end of one stage of constitutional reform and the beginning of another. The second stage of constitutional reform will deal with changes in our national institutions so that there is better regional input in the workings of the national government; it will deal with the securing of the Canadian economic union and with the division of powers.

Of course it will deal with the constitutional recognition of the rights of our native peoples. I am anxious that this process get underway as soon as possible because it is part of our commitment not only to the people of Quebec and to native peoples but to all Canadians.

An amending formula makes that process easier. The resolution provides that in the future, amendments to the constitution will be made with the approval of seven provinces representing fifty per cent of the population. If, however, an amendment takes away provincial powers, privileges or proprietary rights, it will not apply in a province whose legislature expresses its dissent. I will speak later about the issue of fiscal compensation for those provinces which opt out.

For a few matters including the monarchy, the composition of the Supreme Court, and certain language rights, the consent of Parliament and all provincial legislatures will be required.

[*English*]

I want now to turn to the Charter of Rights and Freedoms. It is important at the outset to understand that the entire Charter of Rights and Freedoms will be entrenched in the Constitution and that no province will be able to opt out of any provision of the charter. The agreement signed by the Prime Minister and nine Premiers does not emasculate the charter. Democratic rights, fundamental freedoms, mobility rights, legal rights, equality rights and language rights are all enshrined in the Constitution and apply across the land.

What the Premiers and the Prime Minister agreed to is a safety valve which is unlikely ever to be used except in non-controversial circumstances by Parliament or legislatures to override certain sections of the charter. The purpose of an override clause is to provide the flexibility that is required to ensure that legislatures rather than judges have the final say on important matters of public policy.

● (1220)

The override clause in the Charter of Rights and Freedoms will require that a law state specifically that part or all of it

applies, notwithstanding a particular section of the charter in the Constitution. Such an override automatically expires after five years unless specifically renewed by a legislature. The effect of this provision is, first, that it will be politically very difficult for a government to introduce without very good reason a measure which applies notwithstanding the Charter of Rights and Freedoms in the Constitution. Second, a sunset provision of five years provides a degree of control on the use of an override clause in allowing public debate on the desirability of continuing the deliberations further.

It is important to remember that the concept of an override clause is not new in Canada. Experience has demonstrated that such a clause is rarely used and, when used, it is usually not controversial. The Alberta bill of rights was enacted in 1972 and includes an override clause. The Saskatchewan human rights code of 1979 also has an override provision. Neither has ever been used.

The Canadian Bill of Rights, enacted in 1960 by Mr. Diefenbaker, also contains an override provision. In 20 years, it has only been used once.

The Quebec charter of rights and freedoms adopted in 1975 contains an override clause which has been used several times. However, it has never successfully been used in a controversial manner. What is interesting in the Quebec experience is that the first draft of Bill 101 would have applied notwithstanding the Quebec charter of rights and freedoms. In this controversial area public pressure forced the Quebec government to delete the clause from the bill.

It is because of the history of the use of the override clause and because of the need for a safety valve to correct absurd situations without going through the difficulty of obtaining constitutional amendments that three leading civil libertarians have welcomed its inclusion in the Charter of Rights and Freedoms.

Allan Borovoy, general counsel to the Canadian Civil Liberties Association, was quoted in the Montreal *Gazette* of November 7 as saying: "Our reaction is one of great relief. They did not emasculate the charter." He went on to say:

> The process is a rather ingenious marriage of a bill of rights notion and a parliamentary democracy. The result is a strong charter with an escape valve for the legislatures. The "notwithstanding" clause will be a red flag for opposition parties and the press. That will make it politically difficult for a government to override the Charter. Political difficulty is a reasonable safeguard for the charter.

Gordon Fairweather, who is well known in this House and is the Commissioner of the Canadian Human Rights Commission, said this: "I'm in no mood for nitpicking today; I'm feeling tremendously upbeat". That quote is from the Montreal *Gazette*, November 7, 1981. Mr. Fairweather said that the override clause will become as dead from lack of use as a clause in the British North America Act that, at least in theory, still enables Ottawa to disallow provincial legislation. Referring to long standing provincial opposition to entrenched rights, Mr. Fairweather said: "The gang of no has become the gang of yes!"

Some hon. Members: Hear, hear!

Mr. Chrétien: Professor Walter Tarnopolsky is a past-president of the Canadian Civil Liberties Association and an international expert on bills of rights. His view is that the override clause "is really not such a bad idea, and could have a great many advantages". That quote is from *The Globe and Mail*, November 9, 1981.

It should be clear, in conclusion, that the compromise reached by the Prime Minister with the nine Premiers maintains the principle of a full, complete and effective constitutional Charter of Rights and Freedoms. It does not exclude rights which have previously been guaranteed. In fact, the charter has been improved because unforeseen situations will be able to be corrected without the need to seek constitutional amendment. For those who remain concerned about the override clause, let me remind them that it has been said that "The price of liberty is eternal vigilance". Pressure groups must remain vigilant and we are seeing such vigilance now from women who are arguing for the removal of the override clause in Section 28 and the aboriginal people who are fighting for the reinstatement of their rights. I will say more about that in a moment.

So, what does this Charter of Rights and Freedoms do? First, it protects fundamental freedoms common to all Canadians, such as freedom of speech, of religion, of the press and freedom to vote and to hold office.

Second, it guarantees the freedom of Canadians to establish residence and seek a job anywhere in Canada without regard to provincial borders. It establishes one Canadian citizenship rather than ten provincial citizenships. But it recognizes the need for special measures to be taken to protect local residents in provinces whose rate of employment is below the national average.

Third, the charter guarantees legal rights of Canadians. It sets out protection against arbitrary arrest, against unreasonable search and seizures. It enumerates the rights of an accused to be defended by counsel, to have a fair trial, not to be forced to testify against oneself. It ensures that where evidence is obtained illegally, it shall not be used where, by doing so, the administration of justice will be brought into disrepute.

Fourth, the charter enumerates equality rights. In this area the government is taking bold steps forward in order to ensure the equality of women before and under the law. I know some would have hoped that we could do even better, and I hope we can in the next few days. The ball is now squarely in the court of Premier Blakeney. This government and the party I belong to are confident we can and must succeed. But we also know that we must not break the accord or all will be lost. I am sure that the efforts of the Minister of State for Mines (Mrs. Erola) who is responsible for the status of women will bring about the result that is the desire of every member of this House.

Some hon. Members: Hear, hear!

Mr. Chrétien: No one can deny that this constitutional charter marks very substantial progress. If its provisions are

not perfect, they are infinitely better than the protection for women in, for example, the American constitution.

In addition, the charter specifically prohibits discrimination against those with physical or mental disabilities. This is a great achievement which makes Canada a world leader in the International Year of the Disabled. Much credit should be given to the hon. member for Don Valley East (Mr. Smith) and to other members of the Special Committee on the Disabled and the Handicapped.

Some hon. Members: Hear, hear!

Mr. Chrétien: Fifth, the charter deals with language rights and I will speak to this in a few minutes.

Finally, the charter makes specific reference to the multicultural nature of our society. At the time of confederation, our forefathers established a new country based on two great cultures, the English and the French. Over the last 114 years, Canada has been enriched by the contribution of immigrants from the four corners of the earth. Because Canada prides itself on not being a melting pot, we are establishing today that the charter "shall be interpreted in a manner consistent with the preservation and enhancement of the multicultural heritage of Canadians". As far as the government is concerned, the multicultural heritage of Canadians is such an important fabric of our nation that it must be reflected in our Constitution.

● (1230)

[*Translation*]

I want to speak now to my fellow Quebecers, and I want to tell them that it is essential to distinguish between the interests of Quebec and the interests of the parti Quebecois. The people of Quebec, whenever they have been asked to choose, have always come out clearly for Canada, and so we have chosen to listen to those who ran as federalists and were elected to serve Quebec in this house as opposed to those members of the government of Quebec who act as separatists after they are elected, but who can only get elected when they promise not to bring about separation during their mandate.

I want to say that I regret very much that Premier Lévesque agreed to give up the Quebec veto. The loss of the veto is not recuperable, but the interests of Quebec have been protected in this resolution by the work of the 74 federal liberal members in this house and by the constructive suggestions of the Leader of the Quebec Liberal Party.

What then does the resolution do to protect the duality of Canada? First, it guarantees in the Constitution the rights of francophones to schools in the nine English-speaking provinces. This is extremely important as a protection for our minorities who for generations have fought for their rights. But it is equally important for the thousands of francophone Quebecers who each year since the Parti Québécois has come to power have moved to other parts of Canada.

Second, the resolution guarantees the rights of English-speaking Canadians to educate their children in English in Quebec. This merely enshrines in the constitution what Quebec has done of its own free will for over one hundred years. Even if the Parti Québécois opposes this constitutional guarantee being extended to the anglophone minority, the great majority of Quebecers see it as fair and just. Quebecers have never wanted to abuse the rights of the anglophone minority, and I believe that today, now that we have finally obtained education rights for francophone minorities in the nine other provinces, they will agree that it is only fair and just that we should do the same for the anglophone minority in Quebec, as we have been doing for that part 114 years.

Third, the resolution provides that where Quebec opts out of a constitutional amendment giving power to Ottawa in matters of education or other cultural matters, fiscal compensation will be paid. This was suggested by Mr. Ryan and was subsequently supported and imposed on Cabinet by the Quebec caucus.

Fourth, the resolution guarantees bilingualism at the federal level in the Parliament of Canada, in the institutions of the federal government, and in the services of the federal government. Here, I wish to point out that the manner in which bilingualism is to be entrenched in the Constitution in the future ensures that even a majority of this Parliament and of all the other provinces will not be enough to change this provision without the consent of the Province of Quebec. In fact, we have given Quebec a veto in this respect.

We have been accused of betraying Quebec, of threatening the French language, of taking away Quebec's ability to control its own economy. If there has been a betrayal, the guilty one is René Lévesque for giving up the veto. Nothing in the resolution threatens the French language. Instead the resolution strengthens French across Canada. In Quebec, it does nothing to affect the provisions of Bill 101 with respect to the language of work, the language of the professions, or other matters relating to French as the official language of Quebec. As far as the economy is concerned, the resolution cannot be blamed for Mr. Parizeau's last budget.

As Quebecers we must choose between the objectives of the Parti Québécois and the challenge of belonging to a country that spans a continent. As for me, I adopt the words of Laurier:

"We are French Canadians, but our country is not confined to the territory over-shadowed by the Citadel of Quebec; our country is Canada; it is the fertile lands bordered by the Bay of Fundy, the Valley of the St. Lawrence, the regions of the Great Lakes, the Prairies of the West, the Rocky Mountains, the lands washed by the famous ocean where breezes are said to be as sweet as the breezes of the Mediterranean, our fellow-countrymen are not only those in whose veins runs the blood of France.

They are all those, whatever their race or whatever their language, whom the fortunes of war, the chances of fate, or their own choice have brought among us. As far as I am concerned, those are my fellow countrymen. I am a Canadian. The rights of my fellow countrymen of different origins are as dear to me, as sacred to me, as the rights of my own race. What I claim for us is an equal place

in the sun, an equal share of justice, of liberty; that share we have it; we have it amply, and what we claim for ourselves, we are anxious to grant to others.

[*English*]

I want to speak now about native peoples. No one is sorrier than I that it was not possible two weeks ago to agree to entrench in the Constitution the recognition and affirmation of aboriginal and treaty rights. Our failure to do so was a consequence of a process which required the making of compromises. But I would be less than honest if I did not say that the cause of the constitutional recognition of aboriginal rights was not helped by the fact that leaders of the native peoples have spent a great deal of time and energy lobbying against the section in the previous resolution which they now seem to like.

I do want to point out that there is no change in the provision of the Charter of Rights and Freedoms with reference to native rights. Section 25 states that nothing in the charter shall be construed so as "to abrogate or derogate from any aboriginal, treaty or other rights or freedoms that pertain to the original peoples of Canada".

It is the old Section 34, which was not part of the charter, which is not in the resolution before the House. Many of us both on this side of the House and on the other side of the House are very sorry about that, and probably the most sorry is my friend the Minister of Indian Affairs and Northern Development (Mr. Munro), who has worked so hard from the beginning to make sure we had this in the Charter of Rights and Freedoms. He worked with me and with the hon. member for Nunatsiaq (Mr. Ittinuar). However, we have succeeded in including in the resolution a provision which requires the holding of a constitutional conference within a year to deal with the subject of constitutional recognition of the rights of the native peoples. I hope native leaders will come to that conference with a well-defined position.

Some have suggested the immediate application of Section 34 to the federal government and matters under federal jurisdiction. The government is prepared to act immediately on this suggestion if the leaders of the National Indian Brotherhood, the Native Council of Canada and the Inuit Committee on National Issues indicate their support for it by Tuesday, November 24. If such support is not forthcoming by the deadline, the government will keep the same proposal on the table for the purposes of all future negotiations on the identification of the rights of the aboriginal peoples.

The government would prefer that the recognition and affirmation of aboriginal and treaty rights be fully reinstated in the resolution but cannot do so without the consent of the nine provinces which are parties to the accord. I know that native leaders have attempted to obtain this consent, so far without success. Many provinces have now informed us that they would agree to be bound by Section 34. I hope this means that in the next two or three days the other parties to the accord will agree to be bound so that we can have a speedy and satisfactory resolution of this issue.

Mr. Broadbent: You just need one more.

Mr. Chrétien: I was on the telephone all day yesterday, part of last night and this morning. All members of Parliament can be useful in this regard, not by trying to gain political points but by doing our duty, if we believe firmly in this. We have to put gentle pressure on all the provinces, and I am sure that with the movement there is now we can do that. If hon. members are in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario or any other provinces, they should do their homework. I think it is coming, but don't rock the boat!

Some hon. Members: Oh, oh!

● (1240)

Mr. Chrétien: They should not try to gain some political advantage. The native groups of Canada and others have been very effective. It is my view that it is the wish of all Canadians that we reinstate Section 34 in the Constitution.

Some hon. Members: Hear, hear!

Mr. Chrétien: It is the view of Canadians that having given our word when we signed the accord, we have to keep it. I want to affirm in this House that we will not impose it on the provinces if they do not want it. There is a mechanism that will permit us to do that eventually. Since the Government of Canada gave its word, it has the duty to respect that. I am sure the provinces understand the message of Canadians and are about to tell us that we will go to London with the entrenchment of both the women's rights in Section 28 and the native rights in the Constitution.

Some hon. Members: Hear, hear!

Mr. Chrétien: I know the hon. member for Nunatsiaq today must rightly be disappointed that the resolution as introduced does not enshrine aboriginal rights. I hope that we succeed in enshrining aboriginal and treaty rights in relation to federal matters immediately. I hope that the eight remaining provinces agree to be bound immediately, but if we have to wait a year to reach a consensus with the provinces for all of Canada, the wait will be less important than the fact that we intend to succeed.

I do not have time to talk about the elements of the resolution dealing with equalization or about the extension of provincial jurisdiction over national resources. Others will speak to these items during this debate. I merely want to conclude by quoting the words of George Brown in the confederation debates:

No Constitution ever framed was without defect; no amount of talent and wisdom and integrity combined in preparing such a scheme could have placed it beyond the reach of criticism. To assert, then, that our scheme is without fault, would be folly. It was necessarily the work of concession; not one of the thirty-three framers but had, on some points, to yield his opinions; and, for myself, I freely admit that I struggled earnestly, for days together, to have portions of the scheme amended. But admitting all this—admitting all the difficulties that beset us—admitting frankly that defects in the measure exists—I say that, taking the scheme as a whole, it has my cordial, enthusiastic support, without hesitation or reservation. I believe it will accomplish all, and more than all, that we, who have fought so long ever hoped to see accomplished. It will lay the foundations deep and strong of a powerful and prosperous people.

[*Translation*]

Madam Speaker, finally, I must say, to you and to the other members of this House, that it is unfortunate that we did not obtain the agreement of the tenth province, the province of Quebec. I feel that the Premier of Quebec had a duty here to forget his party and to act as the representative of the province of Quebec. There are only three clauses that separate us. Considerable progress has been made on two of the clauses, and if misgivings still exist, we are prepared to discuss them. Considerable gains have been made in the last two days, both with respect to Section 28, which guarantees the equality of men and women in the Constitution, and in our present discussion on the entrenchment of aboriginal rights in the Constitution. In the days to come we could still find common ground for agreement, which would enable Quebec to join the rest of Canada on the day we give our country a new Constitution, the day when we shall achieve a new level of maturity in this country, when people will have equal rights and when we can be different while at the same time sharing the responsibilities and privileges of being Canadians.

[*English*]

Today is a great day for Canada. We will have a better country. There will be more justice, more friendship, more sharing in our land. Canada, as I have said so many times, is a great country. When we have finished our work, it will be a greater country of which we can all be proud. Today we are making sure this country will survive. It is a worthy cause. For all of us, nothing is better than Canada. Vive le Canada!

Some hon. Members: Hear, hear!

Right Hon. Joe Clark (Leader of the Opposition): Madam Speaker, I want to begin with two brief remarks. I say this genuinely in respect for the parliamentary tradition. I regret that on this matter that goes so much to the heart of what Canada is about and touches so directly the concerns of the Prime Minister (Mr. Trudeau), particularly on one of those rare days when I have something good to say about him, the Prime Minister has chosen to leave this House before I have the opportunity as Leader of the Official Opposition to respond to the introduction of the resolution by the Minister of Justice (Mr. Chrétien).

I understand he is busy. We are all busy. This is a matter which has commanded his attention for some time. I would have hoped that his respect for the institution of Parliament would have been such that he might have been prepared to stay. Does the Minister of Justice—

Mr. Chrétien: Madam Speaker, I would like to make a suggestion to the Leader of the Opposition. Rather than split his speech in two, he could postpone his speech until two o'clock. The Prime Minister could be here. It would then not be necessary to debate this problem. I am sure the Leader of the Opposition will be making an important speech and we should not force him to split it in two.

Mr. Clark: Madam Speaker, I am simply interested in my audience. If I will have the benefit of speaking to the Prime Minister when we come back, I will call it one o'clock.

Madam Speaker: This House stands adjourned until two o'clock.

At 12.48 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

Madam Speaker: When the House adjourned the Right Hon. Leader of the Opposition (Mr. Clark) had the floor.

Mr. Clark: Madam Speaker, it is a pleasure for me, naturally, to rise in this debate. I think in our minds over the past several months there was some doubt as to whether or not this stage of the debate would ever occur. I think all of us who have faith in Canada are pleased that we were able to force respect for the Supreme Court of Canada, for our Parliament and for the processes of Canadian legislation to the extent that it has resulted in this new, very much improved resolution before the House of Commons. It has afforded members of the House the opportunity to make further improvements to a resolution much improved over the one that was dealt with through the last several years.

Some hon. Members: Hear, hear!

Mr. Clark: I do not intend this to be a partisan speech at all, Madam Speaker.

I would ask the Minister of Justice and members of Parliament not to seek partisan gain in this debate. I think that would be advice that all of us would endorse. The minister should not seek too frequently to blame others, whether they are provinces, native groups or others, for deficiencies in the resolution that is before the House of Commons. If the minister engages too much in that, I think there will be the temptation on the part of others to engage in a tone of debate that will not be helpful in advancing our processes here.

This is not another phase in the constitutional debate. This is very much a new phase. There is now a much different atmosphere in the country. Everyone taking part in the debate bears some of the scars of compromise, and there is nothing at all dishonourable about that. Compromise is the way we make Canada work. However, to end with compromise, one must start with principle.

I understand the Prime Minister will be arriving soon. I wish the Prime Minister were here when on one of those few occasions in the House I will pay tribute to him. I think the last time was when he promised to leave. I will not spend too much of my time in the debate in praise of the Prime Minister, but I would like to say that I will not soon forgive him for some of the consequences resulting from his methods with regard to the Constitution. I think it is appropriate that this

House should recognize the depth of his commitment to his goals, and the skill and the passion that he exercised in pursuit of them. All of the members of this House desire that the Constitution of Canada be brought home with an amending formula.

The Prime Minister introduced the resolution that brought us this far and brought a flexibility to make that initiative acceptable to most of the other partners in confederation. I want to congratulate the Prime Minister both for his determination that we have always known him to have, and for the flexibility, which I have to confess we were surprised to find, and the flexibility, I should say, we hope will continue.

Some hon. Members: Hear, hear!

As for the Conservative Party, even though the Prime Minister introduced this resolution to the House, we kept it here and allowed the Canadian system of Parliament, the Canadian system of the courts and the Canadian system of a first ministers' conference to improve significantly the document with which we began.

As the country knows, the Prime Minister and I have different views of our country. History will judge whether this resolution better reflects his view or mine. Those are questions that will be determined later.

The question for today is whether the combination of determination and compromise which brought us this far can be extended to allow us to continue to progress in this phase of the Constitution debate. While it is true we have made progress, it is also true there is much more to do and it is particularly true that the Parliament of Canada has the duty to improve this resolution.

[*Translation*]

While offering my congratulations, Madam Speaker, I would like to say some words in praise of the Premiers of the English-speaking provinces.

[*Editor's Note: And the Prime Minister having entered the Chamber.*]

Sir, you have just missed the only words of encouragement and approval I shall probably ever address to you in my career—

Mr. Trudeau: You can always repeat them!

Mr. Clark: No, never! Opportunity only knocks once! But I would like to say some words in praise of the premiers of the English-speaking provinces who voluntarily exercised their own freedom of decision in a truly Canadian spirit by recognizing minority language educational rights in their provinces. Naturally, we shall have to wait and see how this commitment is put into practice, and it will be interesting to see how generously the provincial governments will interpret the words "where the number so warrants". The premiers of the nine provinces where French is the minority language have agreed to this extremely important principle. As a Canadian who has been fortunate enough to be exposed to both languages, I wish to congratulate the premiers on their foresight.

● (1410)

[*English*]

At this stage of the debate of the resolution, there are three specific amendments which my party proposes to introduce. There may be more later after further consideration of the implications of the resolution and consideration of proposals which may come, for example, from spokesmen of the people of Quebec. It is not our intention to extend the debate unduly, but it is our hope that everyone in the House will work constructively to bring the country together.

Our first amendment, which I will move later today, will reinstate, without qualification, the guarantee in Section 28 of the equality of male and female persons.

Some hon. Members: Hear, hear!

Mr. Clark: The House will not be surprised that my amendment in this case will be introduced by my good friend and colleague, the hon. member for Kingston and the Islands (Miss MacDonald). The present resolution will allow Parliament or a legislature to treat women as less equal than men, or men as less equal than women. We intend that the rights and freedoms set forth in all the provisions of the resolution will be guaranteed equally to male and female persons. I will elaborate on our reasons later.

The second amendment we propose would restore in the resolution the guarantees of aboriginal title which had been affirmed by Parliament, either in the language contained in Section 34 of the first resolution or in very similar language. Again I will elaborate on our reasons later, but I say to my friends in the New Democratic Party that before I came down to the House for question period this morning I received some encouragement to make a telephone call. I have made that telephone call, and I am given to understand that there may be communication between the premier of a province and the Prime Minister of Canada regarding some movement which might be made on that matter later in the day.

The third amendment would restore to the resolution the precise language accepted by Quebec and seven other provinces in the agreement signed in April known as the April Accord respecting compensation for provinces that opt out of constitutional changes which deprive them of rights those provinces have traditionally enjoyed.

[*Translation*]

We have been considering the resolution in detail since we received it this Wednesday, and three comments are in order. First of all, we would like to pursue our in-depth study. We would like to bear the opinions of, and consult with, people whose interests are not adequately represented in the resolution, and we want to make specific amendments to improve the resolution where possible. My second comment is that today, we are not dealing exclusively with the agreement signed by the ten first ministers on November 5, since the resolution goes

further than the agreement. I am happy with the changes that have been made, with the exception of those concerning the equality of men and women, but it cannot be argued that Parliament is bound by this agreement. The government was not bound by the agreement and neither is Parliament. My third comment is, more specifically, that the Parliament of Canada has a fundamental duty to find ways of persuading Quebec to participate in this agreement. My party will introduce amendments to improve the contents of the resolution, but the absence of Quebec affects its very foundation. Aside from the question of how effective the resolution can be if Quebec does not participate, I believe we all agree that it would be far better if Quebec were also included. The government has shown the same attitude with respect to the new Sections 39 and 58. It has, in fact, been my opinion since the agreement was tabled in the House. We must all work together to make the Constitution reflect the interests of all Canadians.

[*English*]

The Minister of Justice spoke during his remarks of the amending formula. I will not comment upon the acts of acrobatics that he had to contemplate to speak so favourably of an amending formula which he condemned so vigorously not many months ago. Of course, the amending formula has been before the House previously, precisely on October 22 last year, when I proposed the amending formula along with patriation as a means to bring our Constitution home. I do not intend to comment on the fact that other parties are now embracing what they once rejected, but rather I want to comment quite seriously on the regrettable irony that a proposal which has been around so long was studied so little by people who pretend to be constitutional experts. Simply because the federal government expressed disapproval, respected commentators suspended their own judgment of the merits of the Vancouver amending formula.

Some hon. Members: Hear, hear!

Mr. Clark: Perhaps if they had taken this formula more seriously some time ago, its advantages would have been evident earlier and advocated earlier than was in fact the case. I raise this because there is a similar danger that normally thoughtful members of the House or of the public or normally thoughtful commentators might also accept unexamined some of the other assumptions of the government's present case. One must remember that on a constitutional matter the government's assumptions have been proven wrong consistently—proven wrong by public opinion, proven wrong by Parliament, proven wrong by the Supreme Court of Canada, and proven wrong by the provinces. At the very least their assumptions deserve careful scrutiny, and most particularly that is the case when the Constitution, the unity and perhaps the future of the country are at stake.

I suggest that one false assumption is the suggestion that initiatives by Parliament will unravel and doom the accord signed by the ten first ministers two weeks ago. There is absolutely no evidence that individual premiers or provinces are so opposed to the equality of men and women, to the concept of aboriginal title and to the idea of just compensation for the provinces, that Parliament's actions in Parliament's jurisdiction will cause any province to pull out.

Some hon. Members: Hear, hear!

Mr. Clark: Indeed, many of us and many Canadians believe Parliament is here precisely for the purpose of acting in Parliament's jurisdiction. We are a deliberative and legislative body, not a rubber stamp for a prime minister or for premiers. That obligation to act is most profound in fields where Parliament is the sole or crucial custodian of vital national interests, such as the state of our aboriginal people or the unity of our divided nation.

For years my party and I have argued for a country where the provincial legislatures and the federal Parliament were both strong. Having made that case, we do not now propose to abandon our duty as the federal Parliament simply because the provinces have exercised their duty. The debt of our special obligation to Canada's original people is clear and unchallengeable.

I suggest there is also a special duty in today's circumstances to heal the division the premiers and the Prime Minister left between the rest of Canada and the province of Quebec. One could argue that the recent divisions within Quebec or about Quebec have been fought within the French Canadian family, between the francophone Premier of Quebec and the francophone Prime Minister, both from the province of Quebec. Today, however, the division is quite different. On one side is the Canadian government and the nine provinces where Francophones are a minority; on the other side, by accident or by design, is the one province where Francophones are the majority. That is the division of which separatists have dreamed. That can very easily be portrayed as the rejection of the French minority by the non-French majority in the country.

● (1420)

Madam Speaker and my colleagues in the House, only one agency can bridge that gap with authority, doing so in the name of all of Canada, and that is this Parliament, where Canadians of non-French origin constitute the majority, but where all of us, of whatever origin, are determined to build an accord large enough for the people of Quebec to feel comfortably at home.

Some hon. Members: Hear, hear!

Mr. Clark: If there was ever a time for the national Parliament to speak and act for the nation, now is that time. Instead of being silent and afraid to act, we should be creative, seeking to build on the progress of the last 12 months. Just as most first ministers were prepared to put down personal prejudice in the national interest, so too, I hope, might we rise above partisan, personal or regional interest to find solutions for our country, Canada.

This Parliament is one of the partners in confederation. We have acted effectively regarding the whole resolution. The other partners, the premiers, have acted creatively after the Supreme Court decision. Now it is up to us to act again, creatively and constructively, in Canada's interest.

The other assumption which requires careful and serious scrutiny is the view that the present government of Quebec wants no agreement. I will suggest a test which may make them show their true colours. However, whatever the motive of the government of Quebec, the people of Quebec may want a just Canadian solution, and may want it ardently enough to force the Parti Québécois to put the people of Quebec first.

Some hon. Members: Hear, hear!

Mr. Clark: Of course, on this question we must be realists. I have been a realist concerning this matter since the day the constitutional debate began, a day when most people said the action of the Prime Minister was unstoppable. That very realism requires that we analyse and not merely blindly accept the argument that the present Quebec government will never agree to anything. As I will argue later, it has already agreed to the April accord, but it did so with seven other provinces of Canada. However, it is fair to assume that it will agree only if the people of Quebec force it to agree or support it in that agreement.

Therefore, as the Parliament of the whole country, as the Parliament which can be the last agency to bring our whole nation together, our attention should be paid to the people of Quebec—and not just the government of Quebec. Our standard, when we vote and speak in this House, should be whether provisions in this resolution or amendments to this resolution help the people of Quebec to stay comfortably within our common country, Canada.

Some hon. Members: Hear, hear!

Mr. Clark: I indicated that the first amendment we wanted to introduce, the one which I will be introducing today, relates to the equality of male and female persons. I would like to speak about that for a moment. When representatives of the federal and provincial governments met, they agreed that certain rights set out in the Charter of Rights and Freedoms should be limited by Section 33 of the new resolution by the *non obstante* clause. In the accord which was tabled in this House of Commons by the Prime Minister on November 5, the *non obstante* clause did not apply to Section 28, which guaranteed the equality of male and female persons. I believe that is an uncontested version of what happened, both in the conference and afterward.

Indeed, what happened, to the best of our ability to reconstruct it, is that after the Prime Minister came to Parliament and the Premiers went home, the officials of both levels of government got together and decided to apply the *non obstante* clause to Section 28. The government, in this amendment and resolution, has unfortunately accepted the officials' amendment and has not acted on the accord which was reached by 10 of the 11 first ministers when they met here in early November. As a consequence of the change brought to this matter by officials, Section 28 is subject to Section 33. A limit is placed upon the equality of male and female persons which was not explicitly intended to be so placed by the 11 first ministers of Canada when they met in conference in November in the capital of the country.

In recent days there has apparently been some dramatic shifting of opinion on the question. In one case, we learned that at least one Premier had not been informed of the exact nature of the work being undertaken by his officials and the position being ascribed to his government by his officials. My colleague, the hon. member for Kingston and the Islands (Miss MacDonald), brought that matter directly to the attention of the Premier of Nova Scotia. I should say, in passing, that the hon. member for Kingston and the Islands did so at her own initiative and that of her party and, without the benefit of advice from the government, brought that to the attention of the premier of the province of Nova Scotia. When he understood what was at issue, he immediately indicated his willingness to have Section 28 stand without limitation and expressed his willingness to associate himself, along with other Premiers and certainly along with his party, with the idea of the equality of treatment of male and female persons. Therefore, that changed.

We are not sure what is happening in the province of Saskatchewan. At last report, the New Democratic Premier of the province of Saskatchewan, that spokesman for rights in that party of rights, was proposing to trade rights for rights.

An hon. Member: Don't go so low.

Mr. Clark: "Do not go so low," someone suggests from the New Democratic benches. If those hon. members are interested in speaking for principle, let me suggest that they get up from the House, suffer the loss of hearing a few minutes of my speech, call Roy Romanow, call Allan Blakeney, and tell them to stop playing games with rights and to give us unanimous agreement so that male and female persons can be treated equally under the constitutional proposals.

Some hon. Members: Hear, hear!

Mr. Clark: I want to deal with the substance of what we are proposing. The substance of our amendment guarantees that men and women will have equal access to the rights and freedoms set out in the Charter of Rights and Freedoms proposed in this resolution. Some of those rights and freedoms will already be limited by the application of Section 33. However, where they exist they will exist absolutely equally for women and for men. That is the purpose of the amendment I am introducing, seconded by my colleague, the hon. member for Kingston and the Islands. That is an amendment which I hope will commend itself to this whole House, so that this whole House can go on record as supporting the guarantee of equal treatment of male and female persons in Canada.

Some hon. Members: Hear, hear!

Mr. Clark: Let me elaborate briefly for a moment. Two years ago, as prime minister, when statements were still made on motions, if Your Honour can remember that far back—

Some hon. Members: Oh, oh!

Mr. Clark: —I had the opportunity to make a statement on motions marking the fiftieth anniversary of the Person's case in Canada. The Person's case, as this House will recall, was a case brought by five courageous women who, I am pleased to say, came from my province of Alberta and believed that it was absolutely unacceptable that interpretations of the Supreme Court of Canada should prevent women from being interpreted as persons in a way which would not allow them to be appointed to the Senate. One might ask why they would ever want to be appointed there; but certainly, their case was that if anyone were to be appointed there, they should have as much right to be appointed as men. They raised the case, they fought the case and they won the case. From that point in the late 1920s and early 1930s, we achieved a very significant movement forward toward equality of status of male and female persons.

• (1430)

I make the point that while the symbolic battle was won with Senator Cairine Wilson being named to the Senate, we had only begun to approach the issue. The Senate was the symbol. The issue was inequality. The symbol has been repaired. The inequality persists.

I will not spend long on this point because too many of us, to our shame, know that if we have a daughter, as I do, she will not have the opportunity in this country to play hockey if she chooses to do so in the same way that a male child might have.

We know that women are denied equal rights to use the training they acquire, whether professional training—

Miss Bégin: They can play ringette.

An hon. Member: Why don't you play hockey, Monique?

Mr. Clark: Yes, they can play ringette. That is right. They can play something else.

Some hon. Members: Oh, oh!

Mr. Clark: I do not want to get into partisan debates so I will not comment on my continuing surprise at the Minister of National Health and Welfare (Miss Bégin).

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

Mr. Clark: What I am going to say, I say also as someone who is occasionally guilty of the infraction myself. Nothing demonstrates the point I am trying to make more dramatically than matters about which this House jokes or titters most often. They usually relate in one way or another to the status of women. For instance, the dispute as to whether my colleague, the hon. member for Kingston and the Islands, should be called an hon. lady when I am called an hon. member. That sort of thing indicates that prejudice runs deep, even in this House where we are supposed to stand and fight against prejudice.

That, I believe, makes the case very clearly and very dramatically why, even though we have espoused the goal of equality, we need to take that step one point further. What must be put right into the Constitution of Canada is the guarantee that male and female persons will be treated equally in relation to the rights and freedoms of Canadians. That will be another step forward, as was the Person's case some 50 years ago which guaranteed in daily practice, where wages were paid and people were hired, that female persons were to be treated equally with male persons.

Some hon. Members: Hear, hear!

Mr. Clark: At this point I would like to move a motion, and I will, continue my remarks after having done so. I move, seconded by the hon. member for Kingston and the Islands:

That the proposed *Constitution Act 1981* be amended

(*a*) by striking out clause 28 and substituting the following:

Rights guaranteed equally to both sexes

28. Notwithstanding anything in this Charter, the rights and freedoms referred to in it are guaranteed equally to male and female persons.

(*b*) by striking out subclause 33(1), and substituting the following:

Exception where express declaration

33. (1) Parliament or the legislature of a province may expressly declare in an Act of Parliament or of the legislature, as the case may be, that the Act or a provision thereof shall operate notwithstanding a provision included in section 2 or sections 7 to 15 of this Charter.

What that does is remove the *non obstante* clause from Section 28. It restores the guarantee of equality of male and female persons to the position enjoyed when the accord was tabled in this House of Commons by the Prime Minister of Canada after his meeting with the first ministers.

There is another matter to which an hon. member of my party will be addressing himself and submitting an amendment later. It cannot be done today because we can only submit one amendment at a time if we want to have them voted on individually, as we do. This other matter of major importance has to do with the question of aboriginal rights, aboriginal title. As I say, that will be introduced later. I was given to understand by the speech made by the Minister of Justice (Mr. Chrétien) that there are some negotiations continuing with representatives of at least some of the status Indian groups. We will naturally want to take account of those negotiations and to keep current with them. But I make the specific point, Madam Speaker, as someone who has had the interests of the native people at heart for a long time both in

this House and in this country, that the Parliament of Canada cannot wait forever for that kind of agreement. Parliament has a duty to act.

I want to speak for a moment, if I might, of the nature of that duty, the nature of our responsibility to the aboriginal people of the country. One in this nationalist age would be reluctant to quote a poet from the United States, except perhaps in the case of aboriginal title, because the aboriginals were here before the United States or Canada was, before the forty-ninth parallel meant anything more than another widening in the trees. I am struck by the words of Robert Frost when speaking of Americans, Canadians, people who came late to this continent. He said:

The land was ours before we were the lands.

Mr. Frost was speaking of the white population, not the natives. The land of this continent belonged to, was used by, the original people well before the concept of land took root as something that was possessed and parcelled out. Land, to the natives, was where you lived, where you worked and where you took your nature. It was heritage, not just territory. In a very real sense, land and people were the same.

We took that away, we who came later. We took it away as an inevitable consequence of our civilization and the compensation we offered was often meagre, often mean, sometimes nothing at all. But the original people were here before our civilization. Our treatment, our meagre, mean treatment of them, has increased our obligation, not diminished it.

We cannot reverse history, but we can take account of it. A minimum step must be for this Parliament to put in a document that deals with the rights of our people and to acknowledge at least the particular rights of our first people to draw their life and their culture from what we made our land.

Some hon. Members: Hear, hear!

[*Translation*]

Mr. Clark: I would like to discuss a third amendment we want to move. It is said that under no circumstances will the present Premier of Quebec accept the constitutional agreement. Whether or not this is true, it is significant that in April, the Government of Quebec, together with the premiers of seven other provinces, signed a very important constitutional agreement, namely the April accord, which basically contained the Vancouver amending formula we are discussing in the House today. So, in April, Quebec took the extraordinary step of giving up its veto right, yes, its veto right, thereby agreeing that the constitution could be changed without its consent. Quebec did not give up its veto right for nothing. It was offered in exchange for a reasonable guarantee of fiscal compensation for provinces who choose to opt out, that is, who decide not to go along with a constitutional amendment. It is common knowledge that this guarantee of full fiscal compensation was the only reason why Quebec signed the accord. It was also common knowledge that if the guarantee were withdrawn, Quebec would reject the accord, so that taking this compensation out of the accord was tantamount to forcing Quebec to withdraw. At this point I do not care who deleted the compensation clause, but whoever is responsible did, in fact, force Quebec's hand. I do, however, want to rebuild this agreement, and it makes sense to start with the guarantee that has always been the essential condition for Quebec's participation, the full compensation guarantee. That is why I feel that compensation is the crucial factor, for all of us who hope to produce an agreement that all the provinces, including Quebec, will agree to sign. It must be said, to the federal government's credit, that it has gone part of the way; it has offered compensation with respect to certain provincial powers, namely, those concerning education and other cultural matters. However, this is only part of the guarantee, it is less than the guarantee in the April accord.

• (1440)

[*English*]

If we want a truly Canadian agreement with all partners participating, we must offer everything in November that was offered in April; and if the government of Quebec says no today to something it accepted in April, then it stands accused by its own actions of putting its *indépendantiste* ideology ahead of the interests of the people of Quebec.

Some hon. Members: Hear, hear!

Mr. Clark: Mr. Speaker and colleagues in this House of Commons, colleagues who want to have a Constitution and an accord to which all of our people can be party, let us give it the choice. Indeed, if you will, let us force the government of the province of Quebec to make that choice. Let us force it to justify rejecting in November what it accepted in April.

Some hon. Members: Hear, hear!

Mr. Clark: The present resolution does not do that. The present resolution allows the PQ government of Quebec to take an easy way out, to say it had more in April than it has in November. Why not take that argument away from Quebec? Why give it that argument which it can use, if that is its desire, to stay out of the constitutional accord? Why not force it to make the choice? The only way to force it is by making in November the same offer the government of Quebec signed in April. That seems to me to be elemental logic. That seems to me to be a very effective way of seeing exactly where the Parti Québécois government does stand, and of seeing whether there is an opportunity for this Parliament to act in a way which will bring Quebec in and serve the interests of the people of Quebec.

Some hon. Members: Hear, hear!

Mr. Clark: We are seized here not simply with the question of giving the government of Quebec a choice and forcing it to face it; we are also dealing here with the opportunity to give Canada the chance of an agreement in which all partners can join. To give Canada a chance, as I have indicated, we will

propose an amendment to guarantee any province that opts out fully what was guaranteed in the April accord.

I want to speak for a moment about the amending formula, opting out and the compensation question. If it is accepted that in areas of jurisdiction, strictly limited by Section 37, that might be transferred from the provinces to the federal government, a province should be able to decline to opt in, it follows that such an option must be a real option.

It is worth reminding hon. members of the House of the real nature of this amending formula, because it has not yet been fully understood. It is a formula that combines the required features of flexibility and equal treatment of provinces. I commend the Premier of Ontario for his very real flexibility in agreeing to allow such a concept to be recognized by the removal of any provincial veto. The formula allows changes to be made when it is demonstrated that such changes are needed. At the same time, it ensures that changes are not made without due consideration. Seven provinces must agree to an amendment, they must have among them at least a majority of the population, and if the federal government does not want to agree it can stop it on its own.

It is a formula that recognizes the fact that in Canada there are identities and problems unique to one province or region. It allows those problems to be met and those identities to be expressed without preventing the development of a national will. In certain limited cases, a maximum of three provinces could decline to opt in to amendments that would take from them rights and powers they have held since confederation. That is what the formula means.

What our amendment means is that that right would not have to be bought; that right would be there with compensation included. It would not have to be bought by a province that wanted to exercise it. A legislature would be free to decide if the people of the province would be best served by jurisdiction being transferred to Ottawa or retained by the province.

Madam Speaker, colleagues in this House of Commons and Canadians who want to help and heal our country, let me make the point that if that is to be a free decision, no province should be forced to incur a financial penalty. That is simple justice. That is the simple justice that is denied by this proposal. That is the simple justice that was approved by the Premier of Saskatchewan when he signed the April accord. And that is the simple justice I suggest should be approved by the Parliament of Canada now so we can ensure that the right of opting out includes the right to do so freely, and not with a requirement to buy what we call a right.

Some hon. Members: Hear, hear!

Mr. Clark: Madam Speaker, that amendment will be introduced later in this debate by another of my colleagues. I would have introduced it today if the rules of the House permitted.

They allow only one amendment to be introduced today, so we will consequently introduce this and the amendment respecting aboriginal rights later.

What we are doing now in what I hope is a genuine, non-partisan way is discussing—

Mr. Benjamin: It sure sounded like it.

Mr. Clark: I hear from the NDP. I would repeat, if the NDP has things to say, particularly Mr. Benjamin from Regina, let him say them to his premier.

We are discussing the Constitution of our country in a way that most of us feel is non-partisan. Because it is our country, and because the questions are so basic to our rights, to our future, to our unity and to our vision of our country, all of us are affected personally. When I say all of us are affected personally, I am not simply speaking of members of Parliament who sit in this House or the members of the other place; I am speaking of hundreds of thousands of our fellow citizens across the country, some of whom are demonstrating now around legislatures in various parts of the country.

I am speaking of people who came in hundreds and wanted to come in thousands to appear before the special committee that looked into the first resolution, Canadians from the length and breadth of the land, from sea to sea to my seatmate's northern sea, who worried, talked and thought about our Constitution during the last year. This ordeal has been wearing on all of us, but I think what this process has done, among other things, is made the Constitution much more human and much more real to many more Canadians.

If I might ask the indulgence of the House for a moment, I want to speak briefly in a personal way. This month is the beginning of my tenth year in this Parliament. Like others who are here I came to the House of Commons with certain goals and bearing certain prejudices. One of my prejudices, one of those I was fortunate to learn at home, is that there are no differences in the capacities and potential of men and women. I grew up in a farm community, and on farms men and women work equally. I grew up in a town during wartime, at a time when many of the men were away. They were not at home to run the businesses so the women ran and often ran them better. If there was a question of equality after the men came home, it was whether they were as good as their wives were at running the businesses.

The hard reality, however, that we have all encountered is that barriers do stand in the way of women, barriers that do not stand in the way of men. I personally am proud to be able to play some small role, with the introduction of the amendment today, in trying to bring those barriers down and trying to move us, in law and in thought, toward that kind of equality which exists in fact, if one regards the capacities and potential of male and female persons in this country.

● (1450)

I grew up, Madam Speaker, with native people, not as a legal concept but as neighbours to people like me; native people who lived not far away from my town. One of the first accomplishments that I can remember as a private member in a minority Parliament during 1972 to 1974, a time when committees were able to do something, is when I, along with

my colleague from Kingston and the Islands and my colleague from Yukon (Mr. Nielsen), were able, with the help of the New Democratic Party members at the time, to have accepted for the first time a resolution by a committee, which was subsequently accepted by this whole House of Commons, which recognized the legitimacy of aboriginal title and rights in this country.

From my background of having known native people in my earliest days and having been involved in the defence of their rights since my time in Parliament, I certainly cannot be neutral on that question now, and my party does not intend to be neutral. It is for that reason that we have moved this amendment on aboriginal title.

Some hon. Members: Hear, hear!

Mr. Clark: As for Quebec—

[*Translation*]

—I am the most bilingual citizen of High River, Alberta, and I have had a chance to learn not only the language but also something of the nature of the people of Quebec.

[*English*]

I cannot think of my country without Quebec and I have to say that I believe that is the position of virtually every member of this House of Commons.

Some hon. Members: Hear, hear!

Mr. Clark: However, it is not good enough to be here to think good thoughts. We are here to act. That is what we were elected to do by our constituents across the country and that is our obligation.

I have the honour in this House to be the Leader of Her Majesty's Loyal Opposition. There is, perhaps, a special obligation on me, as there is on the Prime Minister and certain other officers of the House, to take that responsibility with a particular seriousness. But that responsibility falls upon all of us. It is, perhaps, particularly because of my disinterest in some of these questions that I can move some of the amendments and speak to them as I have today. I am obviously not a woman—one of the 52 per cent majority which women constitute in this country; I am among the minority. I am not a Canadian of Inuit, Indian or aboriginal ancestry. I am not a Quebecer, except in spirit. Perhaps I have a special capacity, a special quality, to come here to ask others who are not native, women, Quebecers—and if they are Quebecers, not supporters of the Parti Quebecois—to recognize the tremendous importance to Canada of having a Constitution which will respect the rights and equality of women, underline the rights of the aboriginal people, and be large enough to include and make the people of Quebec feel comfortably at home.

That is the purpose of our amendment and that is the purpose of our party. That, I hope, will be the result of our deliberations and our debate on this resolution which is now before us.

Some hon. Members: Hear, hear!

Madam Speaker: I am sure members of the House will appreciate that, because of the drafting technicalities, it is important that I reserve judgment on the acceptability of this motion.

Mr. Edward Broadbent (Oshawa): Madam Speaker, for more than 100 years we, as a nation, have been in pursuit of a completely autonomous nationhood. For more than 100 years this goal has eluded us. In these days we are now approaching success at last. In short, the final stage of the process is under way.

Since the birth of our movement as a party in the 1930s, we, along with others, have been in the forefront in advocating the need for an independent Constitution, a charter of rights and a working amending formula to meet the needs of the future evolution of our country. We have also said that the uniqueness and grandeur of the province of Quebec must forever be a cherished and crucial consideration in constitutional change. Quebec is not and never will be a province just like the others. It adds in its vitality, its architecture, by its composers, filmmakers and poets, a richness and diversity for which all Canadians can be thankful.

Some hon. Members: Hear, hear!

Mr. Broadbent: Finally, in recent years our party has become aware, at long last, of the moral claims of Canadian women and the native people of our land. It would be nice to be able to say that politicians, not only in our party but other parties, have been aware of the concerns of women and native people for many years and, indeed, decades. But that would do injustice to the truth. We all know that in this Parliament and in the legislatures across the country the concerns of the native people and the legitimate claims of Canadians women have been on the political agenda for all too short a time in our history.

In approaching constitutional change, then, we have these concerns and these values. When the process of constitutional change began in a serious way last fall, we said, along with others, that now is the time to act and create a fully independent Canada within a political framework that would make possible the creation of a society that is at once just and exciting, a society that is at the same time peaceful and humane.

As we all know, the process has not been an easy one. It has not been, to put it euphemistically, without tension. These tensions have revealed themselves in all our regions, in all our institutions and in all our political parties. I emphasize that this situation has occurred during every period of our history since the birth pains of nationhood were being experienced. There was no reason for Canada to have been an exception and we were not.

Earlier today the Minister of Justice (Mr. Chrétien) appropriately paid tribute to the Prime Minister (Mr. Trudeau) and the first ministers who met not long ago to develop a new accord. I want to join, on behalf of my colleagues, with the Minister of Justice in paying tribute to those men, representing

all the parties of Canada and all the regions of Canada, for the sincere and good results, on the whole, that they produced.

Some hon. Members: Hear, hear!

● (1500)

The Minister of Justice (Mr. Chrétien) alluded to the particular role members of his party played in the development of the constitutional change process which has brought us to today's debate. I think it would be understandable in this context, without doing it in any boastful sense, if I underlined a few contributions to this process which have been made by my party. I am very proud of the role we played in improving the content of the original resolution. Specifically I single out the following contributions of the New Democratic Party, without which certain provisions in the resolution would not have been included. I noted with interest that two of the key amendments to which the Leader of the Opposition (Mr. Clark) referred—and which he wants put back in the resolution—were the precise amendments the New Democratic Party insisted upon and obtained in the first resolution last spring.

Some hon. Members: Hear, hear!

Mr. Broadbent: The first of these contributions I want to mention—because I think it is very important, given the regional nature of Canada—was that as a result of early discussions, broad new powers were given to the provincial governments over the development, control and management of their resources.

The second was our writing and insistence upon the acceptance of Section 28 in the original resolution which gave paramountcy to the equality of men and women. That was a product of the New Democratic Party of Canada and was finally accepted, I am pleased to say, by all parties in this House.

The third was the writing and insistence upon of Section 34 which recognized treaty and aboriginal rights. That was moved by one of my colleagues. It was written by the New Democratic Party, submitted and finally agreed to by all members in the House.

I am proud of the role my party played on those two important questions at this point in our history affecting the women of Canada and our native people. I have noted that as part of the process of the development of the Constitution the other parties went along with these suggestions.

As we all know, following the debate which took place last spring and following the decisions reached by certain courts, it became the strong view on this side of the House that the final vote on the resolution had to wait until the Supreme Court of Canada made a final judgment on the resolution. That judgment contained two messages. It said it was strictly legal but, on the other hand, it pointed out that broader consensus for constitutional change ought to be found. This process eventually took place and, as I have noted, the premiers and the Prime Minister (Mr. Trudeau) deserve credit for what they achieved. The amending formula was changed. The absolute veto for the Senate was dropped, and the Charter of Rights and Freedoms was modified to make it blend with our parliamentary tradition.

Mr. Siddon: You favoured all those things?

Mr. Broadbent: I will deal with that in a minute. I would be less than honest if I said that my colleagues and I were perfectly happy with all these things. We would have preferred that the original charter be binding universally without exception across Canada. That was our first preference.

Some hon. Members: Hear, hear!

Mr. Broadbent: Nonetheless, as a number of civil liberties authorities have said, over-all in the context of serious compromise what we still have remains a good charter of rights. As the Minister of Justice has said, certain rights will remain absolute. Among those over which legislatures may pass laws the onus is upon those legislatures to pass specific legislation to justify such transgressions, and such negating laws would have to be renewed every five years. Thus, opposition parties and especially private interest groups in our society must remain vigilant.

In the early part of the last century a great French writer, Alexis de Tocqueville, wrote what was perhaps the most profound study of American society, and one of the distinguishing features he singled out about North American society was the vitality of interest groups and the creative input they had in making a democratic society with individual liberties possible. The kind of charter we now have before us will indeed permit legislatures on a five year renewal basis to undermine certain equalities if they wish, so it is mandatory that all of us who concern ourselves with civil liberties keep the pressure on at all times.

[*Translation*]

Madam Speaker, there is a most notable absentee among the signatories of that constitutional resolution. One cannot ignore the absence of Quebec at those negotiations. It is most unfortunate that Quebec was unable to agree with the other governments. We must recognize the uniqueness of the province of Quebec as I said earlier. Quebec, as a distinct society, is entitled to a special place within the Canadian community. However, it must be recognized however that the constitutional resolution before us partly confirms this. It was high time! It is not necessary to prove that Quebec is different from the other provinces, it is obvious.

This resolution, for the first time in the history of Canada, is a step in that direction. It is a beginning rather than the end of a process. I was pleased and even relieved to learn that the Prime Minister had amended the constitutional resolution. Thus Quebec will be entitled to some compensation if it ever wanted to opt out of any cultural or educational programs that the other provinces wanted to entrust to Ottawa. For legitimate and reasonable reasons, Quebec must control and administer those areas.

[*English*]

However, in this context I want to say that the proposal which has just been made by the Progressive Conservative Party of Canada is not one that is acceptable to us. The suggestion that in all domains where there is constitutional change approved by the constitutional amending process which would enable a province to opt out and obtain financial compensation in so doing would indeed create, in terms of all kinds of social programs, a checkerboard Canada. That is a view which we would not put up with.

Some hon. Members: Hear, hear!

Mr. Broadbent: It is one thing to recognize, as we ought to, the unique nature of the province of Quebec. It is one thing to recognize the unique qualities of Quebec—and I give credit to the government at last for doing this—in the cultural and educational domains require special consideration, but it is quite another thing for us to say that as a general principle for all provinces all new ideas like medicare, if proposed and accepted by constitutional amendment, could be rejected with compensation. Then the rich provinces could retain the money while the rest of the provinces would have medicare. I say to the Progressive Conservative Party of Canada that we would never have had medicare in Canada as a national program if that had been in effect at the time.

Mr. Clark: Madam Speaker, I rise on a point of order. I would be the last to want to interrupt the Leader of the New Democratic Party (Mr. Broadbent)—

Mr. Deans: Why are you doing it, then?

Mr. Clark: —nor would I want him to commit himself to a position without perhaps fully understanding it. The example of medicare that he has just used would not be prohibited by the amendment we have brought forward. The Leader of the New Democratic Party, naturally, may make the decisions he wishes to make. However, I would hope that before he finally and absolutely commits his party, he might provide us with an opportunity to go through with him in detail what has been proposed so if there is an opportunity to extend an amendment that would bring in Quebec, he will judge that on the basis of proper information.

• (1510)

Mr. Broadbent: We can have a longer discussion on that point in future. I stand by what I said. The agreement that has been achieved would, by amending the Constitution, enable one province to opt out of that and obtain financial compensation. I listened to the Leader of the Opposition with great care and will read with even greater care what he has had to say. Certainly the preliminary reaction would be that social programs involving constitutional change could lead to the richer provinces opting out all along the line, leaving the poorer provinces to pay.

I will continue with the main points I want to make concerning the province of Quebec at this point in my comments.

[*Translation*]

English schools are no longer open to one and all in Quebec. The children of immigrants will have to attend French schools. As well, only Canadians who have attended English primary schools in Canada will be allowed to send their children to English schools in Quebec. Those amendments reflect greater respect for the distinctive character of Quebec. There is still room for improvement. For instance, arrangements ought to be made with respect to mobility should migratory movements appreciably alter Quebec's population balance. Quebec is already a distinct society in fact. I have in mind here the legal system and the Quebec Pension Plan in particular. That is good for Quebec and for Canada as a whole. Finally, Madam Speaker, francophones outside Quebec will gain recognition of their rights to education in all provinces of Canada. After 114 years, there is still progress to be made so that within a relatively short time francophones outside Quebec may be able to control their educational and social institutions just as anglophones do theirs in Quebec.

[*English*]

I want to note in this context that I am pleased to be able to send my daughter to a French language school which opened two years ago. For the first time we have a French language public school in the province of Ontario. There were Catholic schools teaching in the French language. Finally, the province of Ontario in the city of Ottawa is making French language available in the public system. Francophones all across our land must have that right.

Some hon. Members: Hear, hear!

Mr. Broadbent: I want now to turn to two fundamental matters which must be of concern to all Canadians, namely equality of the sexes and the rights of Canada's aboriginal peoples. Before doing so, I want to say that when completed in a just form, I would like this resolution, particularly the Charter of Rights and Freedoms, to hang on the wall of every classroom in every school in every region of Canada. I do not say this because I believe in propaganda. I say it because I believe constitutions are fundamentally about rights, rights are fundamentally about people and people from childhood on must be encouraged to acquire a deep understanding of their own liberties as well as an even deeper appreciation of the liberties of others.

Some hon. Members: Hear, hear!

Mr. Broadbent: Turning now to this document, I ask in all seriousness, would we want children anywhere in Canada to read a document which says, "Men and women are equal except when a group of politicians say they are not"? That is what is in this document. It is neither good for young boys nor for young girls.

In our culture at this time, this kind of symbolism can mean only one thing. It does not mean that males can be discriminated against as well as females. Everyone in this chamber and everyone in Canada knows that it means it is accept-

able to discriminate against women, against young women, against girls. We find that totally offensive in this year of 1981.

In changing the original resolution with this act, we have taken a step backward, reversing completely the progress we had made in recent years. The progress toward achieving greater equality for women has, to understate it, not been exactly exciting. However, we have made and have been making up until this document some changes. However, when we put into a constitutional document written in 1981 the principle of inequality, what are we doing? We are not simply pausing or stalling; we are turning things backwards, we are institutionalizing inequality, and we cannot accept that.

We must restore the original positive wording of Section 28 which ensures the paramountcy of the principle that men and women are equal. The Leader of the Opposition mentioned his intention of moving an amendment. We had the same proposal, so it would be totally redundant for us to do that. I simply indicate that the amendment will have our full support, if for no other reason than that in the original document we wrote it in the first place.

I want to turn now to aboriginal children in the same schools, looking at the same document. Consider the children in Old Crow, Inuvik, on the reserves or in schools in the cities of western Canada where many of our native people have come in recent years. What would those young Indian children think when looking at that document on the wall, given their heritage, especially when they know that this land was once their land? How did they lose it? They lost it by violence, treaties or trickery. They know in their bones that is what happened to them as a people in the northern part of North America, and with much more violence in the southern part. It is impossible for a white person to put himself in the skull of a young Indian child and know what is going on in his or her mind. What will happen when they hear, as they will in their schools, about this process and when they see the kind of documents we know will be sent out that will be put on the school walls in Old Crow or in Inuvik? In this context, I would like to say I was at a meeting in Alberta a week ago with Indian leaders. I heard a whole series of them. Many of them I had met previously. I agree with what the Minister of Justice and Attorney General said, because—and I want to say that in passing—some of the leadership in the Indian community is no better or worse, I suspect, than the leadership in the political parties of Canada.

● (1520)

Mr. Trudeau: And in the CLC.

Mr. Broadbent: And in the CLC, I will agree with the Prime Minister. I would also ask him to agree with me that the same is true of the Chamber of Commerce as well.

Some hon. Members: Hear, hear!

Mr. Broadbent: The point I want to make is that, having sat for an hour over breakfast and listened to the Indian leaders—and I heard the legal arguments before—I agree with them. But perhaps because I heard them before, I was not overly moved. There was an older man there who had kept silent. He was not one of the young, educated Indian lawyers nor, for all I know, was he one of the chiefs. I apologize to him through the House if he was in fact one of the chiefs of one of the bands from Alberta. Just before we broke for breakfast he spoke to me in a very low voice. He said, "I don't know what you are going to do in Ottawa. I don't know if we're going to get our rights, as I think we should have had them—"—and he was an older man—"—but I do know that my grandchildren will be very upset if we don't get our treaty rights". Then there was complete silence. That is all he had to say. He did not say it in a threatening tone, nor as a political bottom line, nor with animosity. There was almost a sense of pathos about what he did have to say, Madam Speaker. If I understood him correctly, he was saying, "My generation of Indians has had it. We have gone through it and we did not get the rights." He said to me as a white Canadian politician, "You have to think of the young Indians who are coming along."

That is my special plea today, Madam Speaker. It is a plea I am making in the House of Commons and to the premiers. I have talked to more than the majority of them during the past ten days. I know there are more than the majority of the premiers who are willing to entrench aboriginal and treaty rights. I know we are short of one or two premiers. I say that they must come forward so that we can send this document to England so that it will provide justice for our native people.

Some hon. Members: Hear, hear!

Mr. Broadbent: I will not be moving an amendment on this subject today because one of our subsequent speakers will do that, Madam Speaker. The obvious force of the points that I have just made is that Clause 34 as written in the original resolution should be restored to the document before the House.

I want to conclude by saying that it is very rare in politics that a nation or a group of politicians is given the opportunity to make a historic decision that can be both practical and decent, that can be at once just and prudent. We in Canada are now on the threshold of such a decision. To follow through, we must now fully entrench treaty and aboriginal rights.

A number of us have already said that the resolution before us is not perfect but it is good and requires improvement. The improvement, in my judgment, would add integrity to Parliament's treatment of men and women and to our treatment of the aboriginal peoples of Canada.

In the final analysis, national unity is not about federal-provincial relations, or the relations between different regions as abstract entities; it is about people. All of the people must be treated with integrity in this document. National unity, when we talk about provinces, is one thing. National unity, when we talk about the relationships of people, is what really counts.

I want to conclude by saying that national unity without integrity is not possible. I hope our goal in this debate, before the final vote is taken, is to achieve that national integrity.

[*Translation*]

Mr. D. M. Collenette (York-East): Madam Speaker, I am very glad to speak in such a historic debate. I have been saying

for years that the renewal of the Constitution is the most important question in the country, and I am deeply grateful to our Prime Minister (Mr. Trudeau) who has worked without respite. Mr. Speaker, I believe that when future generations will look back they will readily acknowledge the greatness of this Prime Minister who has so firmly urged Canadians to face this challenge. So now we must answer the question as to whether we, as Canadians, have risen to the occasion.

[*English*]

That is my message this afternoon, that is my small, modest contribution to this great constitutional debate. Have we been equal to the challenge that has been laid before us? This is a time of joyous outpouring. We will soon forward this resolution to Her Majesty. With the passage of the enabling legislation at Westminster and the subsequent proclamation here in Canada, we will at last have our own Constitution. We will end the anomaly of being a major power in the world, a major independent country with its Constitution residing in another country. This process has a particularly relevant meaning for me because I came with my family from Great Britain some 20 to 25 years ago and I have always found it somewhat incongruous that the country that I knew and learned about in my education as a young boy was really not independent and had not really attained the last vestige of independence. It is particularly touching for me to have been a participant as a Member of Parliament at this significant time in our history, when we are at last making Canada fully and truly independent in every sense of the word.

The proclamation of these changes will finally give us in this country a way to amend our Constitution. It will also give us a Charter of Rights and Freedoms. This is cause for joy. However, our joy must be tempered by the knowledge of what might have been. To follow on the comments made by the Leader of the New Democratic Party, I must say that what was the best charter of rights, in his words, is still an excellent Charter of Rights and Freedoms. We all have reason to be proud of the charter, but improvements still must be made. The Hon. Leader of the Opposition (Mr. Clark), the Hon. Leader of the New Democratic Party (Mr. Broadbent), as well as the Minister of Justice (Mr. Chrétien), touched upon the need to make improvements, to go forward. By passage of this resolution constitutional change will not be over. It is but another phase in the ongoing constitutional development in the history of the nation.

• (1530)

There are many purists in the House. I was one who, along with the Prime Minister (Mr. Trudeau), with just about everyone on this side of the House as well as many members on the opposition side, believed that fundamental rights and freedoms were so sacrosanct and so inviolate that they should be entrenched in a constitution beyond the temporal winds of legislators such as ourselves. We have heard many speeches in the debate from hon. members who have described Canadian legislatures and indeed this Parliament—of course I am thinking of the ignominious incident in the Second World War dealing with Japanese Canadians—as not having been the best guarantors of individual rights. This is why the charter which has emerged over the past year in debate in the House and through the participation of thousands of Canadians was such a noble document. It proposed that all basic freedoms and rights would be entrenched in the Constitution free of any legislative qualification.

The constitutional accord which was signed two weeks ago after much deliberation entrenches rights. However, fundamental freedoms, legal rights and equality rights are subject to a provincial or federal legislative override. In addition, as has been pointed out, our original intentions as expressed in the original resolution in the House on the question of native's and women's rights have not yet come to fruition. They were not included in the constitutional accord. Indeed this is a glaring, startling and regrettable omission which we must all resolve to correct, whether it is to be corrected in the days which follow in debate in the House or whether it is to be corrected after patriation with the new amending formula which will be at our disposal.

We must address these questions. It has been argued with some justice that it will be difficult to override the charter, that the charter will provide an imperative for our courts that will make it very, very difficult for any legislature to tamper with the provisions relating to rights or to pass any legislation which would derogate from those rights. I shall not rest, and I am sure there are others in the House and in the country who will not rest until we achieve, once and for all, the complete entrenchment of these rights from any legislative sanction.

[*Translation*]

Mr. Speaker, first of all let us look at one of the main reasons why constitutional reform was so important for Canada, namely the entrenchment of the constitutional guarantees which ensure the survival of the French language and culture. As an English-speaking Canadian, I must admit that I am not proud of the way French-speaking Canadians have been treated for many decades. The two major examples of the shameful treatment of the French minority by the English majority have already been outlined during this debate. They happened in Manitoba in 1890 and in Ontario in 1912. There have been many other such cases, the most recent one being the air traffic controllers strike in 1976. Unfortunately, Mr. Speaker, it was the ambivalence of English-speaking Canadians which showed once more that francophones cannot rely on the good will and the generosity of the legislators to guarantee their language rights.

Mr. Speaker, the survival and the promotion of the French language are important concerns for the Liberal Party of Canada, the Liberal Party of Quebec, and of course, the Parti Québécois. However, the latter believes, because of its destructive and reactionary ethnically-based prejudice, that the pro-

tection of the French language requires cutting back of some of the rights of the English minority established in Quebec. This contemptible nationalism has brought even more urgency to the need for linguistic guarantees, and the attitude of Mr. Lévesque and his friends during the recent constitutional talks has emphasized the dishonesty of such a policy.

The former protector of the French language is now turning his back on the French minorities outside Quebec. This agitator has betrayed his provincial colleagues by refusing to sign the constitutional accord. This fanatic, whose slogan is *Je me souviens*, has abandoned his own province by renouncing to the veto of Quebec. Why is this, Mr. Speaker? Because this man and his party are determined to sabotage Confederation whatever the cost, even at the risk of weakening the position of their own province in future constitutional debates. If Quebec is now alone, Mr. Speaker, the Quebec premier is to blame.

[*English*]

This is why I am so happy, even in perhaps the most modest way, that we have entrenched French language rights in the constitutional Accord, that we will at once be making our peace with those of our French-speaking brothers and sisters who have gone before us, who suffered discrimination and found that their language and culture were suppressed. My only sadness is that we have not quite given in this resolution the same rights to the English minority of Quebec; almost but not quite. But I believe what we have done for the English minority in Quebec will go a long way toward ensuring that the rights of English-speaking Quebecers will be safeguarded in the years ahead. It is my hope—and I think it is the hope of everyone in the chamber—that at some point, hopefully very soon in the future, when there will be an end to the independent party in Quebec, a federalist party once again will be in power, will come into the accord and join the other nine provinces and the federal government to preserve these rights and to entrench them for all Canadians.

I would be remiss if I did not say a few words about Section 133 of the present British North America Act and about my profound regret that the Premier of my province, notwithstanding the fact that he showed great vision in trying to reach a new constitutional accord, notwithstanding the fact that he supported our party which introduced the original resolution, has failed to extend these basic rights to the province of Ontario. That is something else for which we as Ontarians should fight in the years ahead. At the provincial level, and even at this level, by using the power of our influence as Members of Parliament, we should prevail upon the government of Ontario and upon subsequent governments or premiers of Ontario to make this last great gesture in the name of language equality in this country.

● (1540)

I just want to reflect on the process that we have gone through in the last year or so. I have been very caught up in that process and, like many hon. members on both sides of the House, have worked extremely hard both day and night, because this was not just another piece of legislation and not just another parliamentary act. This was something more profound. Very seldom in the lifetime of an individual can he or she make or hope to make some contribution to history. All of us in this chamber have made such a contribution in the past year, despite the differences in our opinions. I think it is a testimony to the greatness of our parliamentary tradition that we were able to come to an agreement in this country without bloodshed, without brother and sister fighting against each other, and without civil strife.

Let us look at other countries in the world to see how they acquired their constitutions. Even Great Britain went through some bloody times, going back to Cromwell, going back to the chartist movement in the 1830s, and the social protests in that country during the development of their constitution.

We have indeed been fortunate. We should indeed be proud that we have been civilized enough in this country to fight with every last ounce of our strength, but with words and not physically, not fighting with each other in a manner which would cause irreversible bitterness. That is why the process which went on in the last year was so rewarding and monumental.

I think especially of the deliberations of the Joint Special Committee on the Constitution. Day in and day out, this committee's deliberations showed that democracy was indeed alive and well in our country. Many Canadians and many groups were represented and were able to express their point of view. Hundreds of briefs were received. The televising of those committee deliberations had a lot to do with provoking thought on the part of individual Canadians who otherwise would not have involved themselves with this question. We then saw the matter go to the Supreme Court. I would not want to reflect on judicial decisions, however, I must say that the decision that the original constitutional resolution was not constitutional in the convential sense must be accepted. I think that the Supreme Court really did not address the problem of the definition of proper conventions. It said that there had to be consent of the provinces.

However, I want to draw Your Honour's attention to a statement made by the noted constitutional professor, the late E. V. Dicey, in his well known work entitled "The Law of the Constitution". He stated that "the fundamental dogma of modern constitutionalism" is that "the legal sovereignty of Parliament is subordinate to the political sovereignty of the nation". The Supreme Court of Canada asserted that the original resolution, as I stated, was not constitutional in the conventional sense and that the political sovereignty of the nation was defined as a substantial consensus among the provincial and federal governments.

As an individual Canadian, I am offended that convention is defined in those terms. It is for that reason that I have always been of the view—and I stated it in the House many years ago in a debate on a referendum bill, Bill C-9, in the second session of the Thirtieth Parliament—that political sovereignty should be defined as the will of the people as expressed by themselves rather than by elected politicians.

It is my belief that in order to determine the rules of the game and to determine the rules which will govern us as a people, as distinct from moral issues and other questions, we should consult the people via the referendum mechanism. It is not an idea which would be unique to Canada. I just look at what has happened in Great Britain in recent years, where there have been two such referenda, one on entry into the Common Market and the other on questions of devolution of powers for Scotland and Wales. Therefore, one cannot argue that referenda are not in the British parliamentary tradition.

It is significant that the offer of a referendum was made by the Prime Minister during the negotiations, and it was turned down by many of the provinces. I regret that. What we saw was that the Canadian way, as described by the Leader of the Opposition and many of the provinces, really was the wheeling and dealing among elected politicians and elected governments to determine the rules by which the public and the people of Canada would live. Indeed, one may describe this Canadian way as one which permits some degree of moral cynicism.. I am prompted here to reflect upon some of the thoughts of the late American theologian, Reinhold Niebuhr. In his classical defence of democracy, entitled "The Children of Light and the Children of Darkness", he identified the powers of will and persuasion, the forces in society. It was Mr. Niebuhr who said that we may well designate the moral cynics who know no law beyond their own will and interest with a scriptural designation of "children of this world" or "children of darkness". Those who believe that self-interest should be brought under the discipline of a higher law could then be termed "the children of light".

He defines the children of light as those who seek to bring self interest under the discipline of this more universal law and in harmony with the more universal good. One does not want to get overly metaphysical in this very practical constitutional debate, but I think we must view what has gone on in the last little while with some disquietude that, in a sense, the will of the people themselves has been excluded and that there were those who could not put aside their own self-interest and could not seek a higher vision of what Canada was to become in the next century. However, in a sense, they settled for something which is good but which could have been infinitely better.

That is why I find it somewhat distasteful at the moment to see this continual bartering of rights, this continual trading off of native rights or women's rights. Surely the protection of those rights can stand or fall on their own merits. I suppose that I will leave this place a happy person—whether after the next election or whenever—because I was able to play some small role in the historic development of this country in the bringing in of a new Constitution. However, I would exhort all of us to be, in Reinhold Niebuhr's words, "children of light". Let us put aside our self-interest and our petty divisions. Let us try to go beyond ourselves and see the greater view. Let us see the new vision of Canada. Let us try to attain that vision. We can start the attainment of that vision by trying to realize our original objectives.

● (1550)

What we have before us now is good. It is great. It is a source of great joy. But it could have been better.

I am reminded of a story we studied in high school written by Robert Louis Stevenson. I believe the title of the story was El Dorado. In life one must always be searching and grasping for a new ideal. We must have a new goal. I entreat members of the House of Commons to see as their goal the complete restoration of the charter of rights as it was originally intended in the resolution so that all Canadians may live in dignity and harmony.

I would exhort all of those who read the House of Commons debates and all those Canadians who follow the issues of the day not to let their politicians off the hook. We have triumphed, yes, but we could have done better.

Let us hope that in the days, the months and the years ahead we will finally achieve our complete goal, the complete entrenchment of the basic rights notwithstanding the notwithstanding clauses, so they can stand by themselves all time and enshrined for oblivious to political change. That is what I am pledging to work for in my remaining time as a member of Parliament. I hope that my colleagues feel the same way.

Some hon. Members: Hear, hear!

Mr. John Bosley (Don Valley West): Mr. Speaker, before beginning my remarks I want to say to the honourable member who has just finished speaking that it would be nice for once if someone on the government benches would admit that we viewed the Supreme Court decision on television. It is difficult to listen to members on the other side almost claiming credit for a resulting process for which all Canadian fought.

Before I came here in 1979, it was my privilege to represent many of the people I now represent at the municipal level of government. During that time I had the honour to be involved, along with others, several of whom are now members in this House representing all sides, in the creation and implementation of a bold new urban plan for the city of Toronto. That plan from start to finish took several years. It involved dozens of compromises, the creative co-operation of literally hundreds of citizens in Toronto and thousands of hours of meetings. At the end, one Toronto wag commented that the plan was perfect and typically Toronto. It had to be good because it displeased everybody equally.

When I left municipal politics to seek this office, I did so with a question mark in my mind. Those members who are familiar with the mind-set peculiar to municipal councillors that the sun rises and sets on one's municipality, perhaps can best understand the doubt as to whether life in the House could ever be as stimulating as municipal work or whether any project here could ever be as important and challenging as our new plan was.

I rise today just a few days short of three years since I left municipal affairs to participate in this debate, a debate essentially about another plan, the proposed new plan for Canada's constitutional future.

I can only say that this experience, the experience of being part of our constitutional renewal, has been in so many ways the highlight of my so far short public career. I want to try to express to you, Sir, to my party, to the House and, most important, to the people who sent me here, my intense feeling of gratitude for the privilege of being here at this historic time.

This promises to be an emotional debate. Earlier speakers members at various times showed through their tears the emotion they felt. I do not expect to have that effect on members, but I can say this, that however one views this resolution, whatever one's political bias, there can be no doubt that the importance of this date for Canada is felt on all sides of the House.

The writing of constitutions must be among the most noble and important work in which people's elected representatives engage. I am here in some measure because the previous member for Don Valley West, Mr. Jim Gillies chose not to run. Perhaps with your indulgence, Mr. Speaker, I might read into the record his favourite quote. He used it always to advise his constituents, now my constituents, on matters of importance. It seems this quote has merit in our discussions today. The quote will be familiar to many people here. It goes like this:

> Make no little plans: They have no magic to stir men's blood—make big plans, aim high in hope and work.

The philosophy behind those words continues something along the line of: "Aim high in your hopes and dreams remembering that our grandchildren will probably do things that we never dreamed of. Let your watchword be justice and your beacon be hope."

Let us be clear and sure that the spirit in which we approach this debate is exactly that: hope for justice for all Canadians, including women, men, our native people and all Canadians, especially the people of Quebec.

Let us also be clear that this debate must not delay dealing with the other urgent problems this country faces, and our unreasonable delay would serve no one.

There are several matters I want to raise in this debate. We are, however, approaching four o'clock and I would like to make sure that I put something on the record before I proceed to deal with what I think are absolutely vital questions in this debate, specifically the issues of equality of men and women, the issue of the protection of the treaty rights of our aboriginal people, and the amendments which my leader proposed earlier today.

We received a telex in which I believe the House will be interested because quite a bit of admirable discussion has taken place about attempting to persuade premiers to come on side with native rights and men's and women's rights. This telex came from the Premier of Ontario, the Hon. William G. Davis. It was addressed to the Right Hon. Joe Clark and to Duke Redbird, president, Ontario Métis and Non-Status Indian Association, Native Council of Canada offices. To those who want to know where Ontario stands, I can say it stands foursquare behind the entrenchment of the rights of the aboriginal peoples and for Section 28 unamended. I will quote for the record from the telex. It reads, in part:

> Ontario remains committed to the accord signed on November 5. However, to the extent there is significant opportunity prior to the end of the debate in Ottawa to influence those who do not support the current provisions for women's rights and the inclusion of aboriginal rights, we will be endeavouring to do so.

It continues:

> We do express our sincere regret that aboriginal rights were excluded from that agreement. . . .

It concludes:

> We remain committed to the principle of entrenching rights for both women and native peoples.

Let there be no mistake about where Ontario stands.

I propose to continue that argument when I am next allowed to rise, Mr. Speaker.

Mr. Deputy Speaker: It being four o'clock, the House will now proceed to the consideration of private members' business as listed on today's order paper, namely public bills, notices of motions and private bills.

PRIVATE MEMBERS' PUBLIC BILLS

[*English*]

Public Bills Nos. 1 to 59 inclusive allowed to stand by unanimous consent.

* * *

● (1600)

CANADIAN WHEAT BOARD ACT

AMENDMENT RESPECTING PRODUCTION OF FUEL ALCOHOL

Mr. Stan Schellenberger (Wetaskiwin) moved:

> That Bill C-259, to amend the Canadian Wheat Board Act (renewable energy), be read the second time and referred to the Standing Committee on National Resources and Public Works.

He said: Mr. Speaker, private members' hour is getting the attention it always gets in the House, but I do recognize that many members are very busy.

I bring this bill forward today as one of a series I want to present to the House which deal with renewable energy. This is a subject in respect of which we would require very minor amendments to a number of acts in order to allow us to proceed toward energy self-sufficiency in this nation more quickly than is presently the case. I have considered a number of acts and I have presented simple amendments by way of private member's bills which I think would greatly assist us in moving toward the use of more renewable energy fuels in our nation.

This bill has to do with the Canadian Wheat Board Act. Its purpose is to extend the objects and powers of the Canadian

Wheat Board so as to allow it to purchase and market surplus or deteriorating grain for eventual use in the production of fuel alcohol.

This bill would amend the Canadian Wheat Board Act in such a way that the board would be able to purchase surplus grains in years of surplus as well as grains that for some reason do not meet the requirements of the Canadian Wheat Board for sale for human or animal consumption. This maybe because of the presence of certain weed seeds, or for either human or livestock consumption.

In the situation as it exists today a farmer cannot sell that grain to an elevator agent who is buying for the Wheat Board if that grain is rejected for one of the reasons I have outlined. However, we have the capacity and the technology to produce alcohol from those types of grains. By allowing the Wheat Board to become involved, we would enable farmers to sell these types of grains to their elevator agents on an equitable basis rather than having to find their own markets.

The other important aspect of this is that many of the plants capable of producing alcohol—at present we only have one in Canada—may not be situated in areas where frost may have produced large amounts of grain with a high nitrate content. With the adoption of this measure, agents could buy that grain and easily ship it to the existing plant in Manitoba, or others that hopefully will either be built or converted in the future to the production of alcohol.

If we look at past years we will find that we have had surpluses of these types of grains in Canada. Let me go back as far as 1967. I would note that the Canadian Wheat Board considers eight million metric tons of wheat as a normal carry-over, the kind of carry-over that must be maintained to ensure self-sufficiency in our nation should we experience a total crop failure. This would allow to continue year by year without a break, so to speak, in the pipeline system.

In 1967 we had a carry-over of 18 million metric tons. This meant some ten million metric tons of surplus. In 1968 we had a carry-over of 23 million metric tons; in 1969 we had the largest surplus in our history of 27 million metric tons; in 1970 we had 19 million metric tons; in 1971 we had 15.5 million metric tons; in 1972 we had 10 million metric tons, and the same in 1973. In those years we had substantial surpluses. This inhibited our farmers to a great extent in obtaining the kinds of returns they needed in order to continue this production on their farms.

Had this measure been in place at that time, perhaps the Wheat Board could have helped our farmers in a domestic way to alleviate their problems in relation to production surpluses.

In the early 1970s, 1972 and 1973 we had a huge surplus of barley on the prairies. Many of us who are farmers remember selling barley at three bushels for a dollar. One might say it is nice to have a surplus, and it is. However, the government has an obligation to our farmers to attempt to market these surpluses in any manner possible.

Today we are inhibited by our transportation system. The difficulty arises not because of the lack of world markets for our grain, but rather because we do not have an adequate transportation or port system to handle the grains presently grown on the prairies. This bill would allow the Wheat Board to assist the farmers in coming years until the Minister of Transport (Mr. Pepin) commits the $1.5 billion he has promised. I must say to that minister that this money is desperately needed for those improvements that should be started today so that within four years we can move to a quota system on our tracks, and I would plead with the minister to make every effort to provide that money.

We have the ability to produce certain grains with tremendous yields in various regions of our country. I could use as an example the Lethbridge area where substantial irrigation has and is taking place and we can now produce soft white spring wheats at the rate of 125 bushels per acre and up. Often we have not had a market for these grains, even though we were producing them, and they jammed elevators in the area. Farmers had great quantities stored on their farms. The government was unable to sell this grain and we ended up putting it into our foreign aid programs. That is an admirable use, but these quantities of grains could be used for fuel alcohol production. Following alcohol production the protein could be used for human or animal consumption.

I recall there being a substantial frost in Saskatchewan two years ago and many farmers only had a three-bushel quota for number three utility wheat for the entire crop year. They had to carry that wheat over for some considerable time before being able to market it. That type of grain could very easily be used for the production of alcohol.

What I am trying to point out is that there is a need in this country for this kind of legislation so that the Wheat Board could assist us in times of surplus and at times when we have grades of grain that are not fit for human or animal consumption. I am hoping that members of this House will find this bill important enough, although it may not be drafted perfectly, to send it to the committee for further study and recommendation.

A draft paper on alcohol fuels, which was used as a background piece for the 1980 discussion paper on liquid fuel options, indicated that a concerted federal and provincial effort could result in fuel alcohol production of some 600 million gallons per year by 1990, if we get started today. This would be the equivalent of 400 million gallons of gasoline or 5 per cent of the projected gasoline requirement for this country.

• (1610)

Many people have been reluctant to have countries commit what is called human food to the production of alcohol because they believe the byproduct is unusable. This is not the case. In fact, the fermentation process really only converts the starches and sugars into alcohol and the protein is the byproduct. It can serve as an excellent animal feed and can be recycled, with proper methods, into an excellent food for humans as well. In fact, the rich protein byproduct feed for animals is even more effective than if they were fed wheat, barley or oats before it had been put through that process.

There have been tests done on this in the United States. In one case, the byproducts from corn, the mash that was offered, had more protein and vitamins than it had before it was put through the fermentation process. Through the experimentation that was done, it was found that the growth rate efficiency for animals was 13 per cent greater than if they were fed feed which had not gone through the fermentation process. I believe further experiments will show that this is a fact.

In the State of Kansas a $15 million plant has been designed to produce 5.5 million gallons of alcohol per year, 200 per cent proof, plus 15,000 tons of liquid carbon dioxide, plus a byproduct to finish feed 30,000 heads of cattle. It is operating very well.

We have one plant in Canada. In Minnedosa, Manitoba, the Mohawk Oil Company has converted a former Gooderham and Worts distillery to fuel alcohol production. The conversions were designed by an Austrian firm. This firm has developed many plants around the world, including a 20 million gallon plant in the state of Missouri.

The Mohawk plant follows in the wake of about ten United States distilleries which have been converted from producing beverage to the production of fuel alcohol. The technology and the equipment remain virtually the same for the production but the efficiency is greater because the alcohol does not have to be as distilled for consumption in cars as it is for human consumption. It is expected that Mohawk will have a $17 million to $22 million per year capacity and the fuel will be made from locally grown barley and grains.

If Mohawk is as successful as we believe it would be, my bill would encourage the construction of another plant and the use of surplus grains from other regions that are not fit for human consumption for the production of alcohol. This would be of assistance to this plant in going ahead with the construction of a second plant and hopefully would encourage production in Saskatchewan and Alberta as well. The government of Alberta assisted Manitoba to convert this plant, and immediately upon giving the plant a production licence, the government eliminated the road taxes on this fuel.

In a few years fuel alcohol plants will have no difficulty in competing with gasoline prices. At the present time this type of incentive is needed if fuel alcohol is to become competitive.

We also have the potential to produce alcohol from a number of other materials. People who are familiar with this area will know that the Jerusalem artichoke is the most productive, and sugar beets, which grow very well in southern Alberta in irrigation areas, are close behind. While wheat is not the most efficient, it is abundant in this nation. Potatoes, of which there is a surplus in New Brunswick and Prince Edward Island can also be used. Farmers there would be willing to produce more potatoes if they were given an opportunity to sell them for the production of alcohol. We have the ability to produce alcohol from much of the produce that farmers grow in Canada. Also, experimental farms in Ontario have produced a type of poplar tree which grows very quickly and can be converted into ethyl alcohol. Although I am only presenting one bill, I could present many more which would assist farmers in producing crops which would be capable of producing alcohol.

Many other countries around the world are far ahead of Canada in the production of fuel alcohol. The United States has, particularly since the embargo on oil, forged ahead in providing incentives for plants and private industry to develop fuel alcohol production. For example, producers in the United States are eligible for alcohol fuels entitlement from the department of energy. These are loan guarantees given to alcohol plants as well as investment tax credits to individuals who wish to produce fuel alcohol. In addition, there are substantial funds for research and development—an increase from $3 million in 1977 to $25 million this year.

Brazil, which also suffered from the oil embargo, produces 5 per cent of its fuel from alcohol and hopes to increase that substantially in the years to come. In 1980 Brazil exported 70,000 tons of soybeans. In the near future they will not be exporting any because they will be putting them into alcohol production to meet their own desperate needs.

The Dutch have designed, through their applied sciences, a device which enables cars to run on any mixture of gas and alcohol and even on pure alcohol. The refinements in this industry are progressing rapidly and the capacity for Canada to learn from that technology is real.

There is also substantial use of alcohol fuels in Sweden, New Zealand, Australia and Japan. This proves that many countries are moving rapidly forward in this area, and I believe Canada should keep pace.

A task force was established this year which did an excellent job in the area of renewable energy. I would like to quote my hon. friend for Bruce-Grey (Mr. Gurbin), who was a member of the parliamentary task force on energy alternatives. He said:

> Our committee was struck by the potential for alcohol to extend our current supplies of gasoline in a 10 per cent blend with no need to modify the engine. The committee recommended that the government should go beyond its proposal for fuel alcohol regulations and should allow alcohol to be sold to retailers.

We have an inhibiting factor present in our country at this time. When Bill C-57 was before the House last year, many of our members argued very strenuously for some amendments. The difficulty we face in Canada today is that the government only allows experimentation licences to individuals which are renewable for only one year. After that year the equipment has to be destroyed. The licence should be extended to five years to give these individuals a chance to refine their product and increase their capacity. We also believe that instead of research being done on a limited, personal use basis, the bond should be extended so that individuals could establish larger plants which could offer economies of scale and enable joint effort projects among a number of farmers to be undertaken. In this way they could refine their yearly and daily production quotas. While there is a movement to reduce the bond from $200,000 to $10,000, there is still a lot of room to allow for expansion in the fuel alcohol area.

In conclusion, I would like to see the House seriously consider this bill and allow it to go to committee for further

study so that farm groups and various others could attend and encourage Members of Parliament to move in this direction and allow the Wheat Board to get fully involved in this area.

Mr. Stan Hovdebo (Prince Albert): Mr. Speaker, I am pleased to speak to this bill and I congratulate the hon. member for Wetaskiwin (Mr. Schellenberger) for bringing it forward. I appreciate the fact that in bringing this bill forward he suggested the extension of the powers of the Canadian Wheat Board so that it could control the movement of grains used for this particular reason.

● (1620)

The history of the Canadian Wheat Board is very interesting. It has benefited farmers in the past and will continue to do so. It was established in 1935. It was operating prior to that, but in 1935 it was given the power to handle wheat and in 1949 the power to handle oats and barley. The circumstances in existence at the time the board was formed are similar to the circumstances today. Prior to 1935 it was quite possible for a farmer to sell grain at one price in the fall and at a different price in the spring. I remember very well my father's selling grain for 75 cents a bushel in October and holding as much as he could until March when he would get $1.50 a bushel for it. By virtue of the organization of the board and its sales policies this has been evened out so that in this situation a farmer would probably get $1 a bushel the whole year.

There was another reason for the setting up of the Canadian Wheat Board. It is a reason why the board still exists and why its powers should be extended. That reason is the continued existence of the grain exchange. The grain exchange does today what it was doing back in 1929. The grain exchange claimed to be the farmer's friend and to give him a better return for his grain. It claimed to be the consumer's friend, as it claimed it could sell grain cheaper than it could be sold in any other way. However, in the process of buying grain and selling grain the grain exchange makes money, and it has never been able to explain to me whether it took that money from the consumer or the farmer. There is no added value in the handling of grain by the grain exchange. The exchange added nothing to the grain, so it took money either from the consumer or the farmer.

The establishment of the Canadian Wheat Board and the extension of powers to it continue to be of value. I am glad to see that the hon. member for Wetaskiwin endorses orderly marketing, which has served Canadian farmers well. If we can extend that principle to other products and for other reasons, we should do so.

In the last few months serious attempts have been made to undermine the orderly marketing process. Attacks have been made by what I call flunkey large corporations. It pains me to say this of such a prestigious organization, but one of the flunkeys has turned out to be the Economic Council of Canada. This prestigious organization blew its credibility and possibly much of its effective work by using spurious and unsound arguments and half truths about orderly marketing. The council has been aided in this by another flunkey—and again it pains me to say this—the CBC. In the last year in the presentations "What Bread Basket," "Against the Grain" and "The Game of Monopoly" this prestigious organization has succeeded in giving a biased picture of farm life, of grain transportation and of orderly marketing.

This government has allowed the food industry to be dominated by five large corporations. If the government is going to allow that, it should at least even out the odds somewhat by establishing and promoting marketing boards wherever possible. Surprisingly, people like Frank Warnock, who used to be the head of Loeb, supports this position, and I will refer to a newspaper article in this respect. It reads:

> Warnock cited the power of those five "who virtually dominate the retail food market" and said any government that allows that must also allow farmers to form marketing boards to protect their interests.

Again I must congratulate the hon. member for Wetaskiwin for recognizing the value of orderly marketing. I hope he will lead his party to support the extended use of the Canadian Wheat Board.

To get a little closer to the subject matter of Bill C-259, it deals with the sale of surplus and deteriorating wheat for use in the production of alcohol. In addressing the question of using food for the purpose of producing byproducts such as fuel alcohol, there are serious ethical and moral problems which must be addressed as a matter of policy. The hon. member used the term "surpluses" in respect of a particular year. If that grain—or that food—was really surplus, it would still be around, and whenever there is hunger in the world there is no such thing as a surplus of food. It was not too long ago that serious opposition was mounted in my province of Saskatchewan to using locally grown malting barley in a malt plant from which beer would ultimately be produced. This opposition was based on moral grounds. There are substantial numbers of people in Saskatchewan and other parts of Canada who believe it is immoral to use food grain for brewing and alcoholic distillation. There is a similar argument about fuel alcohol, and it is a compelling one.

Large scale fuel alcohol and gasohol operations are rapidly being built in the United States, as the hon. member indicated. I recognize that the grain used is surplus or deteriorating grain, but there is still a question as to what happens to large potential food supplies which are diverted to other purposes, even if the byproducts retain a high nutrient value. The answer, of course, is that the price of available stocks goes up. The director of the United States National Alcohol Fuels Commission has conceded that the United States target of four billion gallons of alcohol from corn would increase the price of corn by 6.6 cents per bushel.

No producer objects to high prices, but some producers wonder if they can ever produce enough food to feed the world. They seem to be producing surpluses, yet millions are starving because their countries cannot afford to buy food grains. This is another aspect of the ethical dilemma we have. In the face of increasing petroleum fuel prices, food grains may become more valuable as alcohol stock than as food.

• (1630)

Right now there is a question in the United States as to whether the use of corn for alcohol will ultimately see its price rise over wheat, and huge U.S. wheat surpluses which have played a major part in international wheat trade in recent years will be retained in the United States. They will not be put on to the export market. If this happens, what will happen to the food supply of the world? This is a rather daunting picture. U.S. wheat exports now feed much of the world. They will quite possibly be removed by the use of corn to produce alcohol.

As some hon. members know, United States wheat exports for the 1981-82 crop year were 49.7 million tonnes, an increase of 18.2 million tonnes or 58 per cent over four years ago, and more than the exports of the other four major grain exporters, Canada, Argentina, Australia and the European Economic Community, in total. Given the kind of possibility which would eliminate United States grain from the food export market, Canada must make a deliberate political decision, not a market decision, on where our food grain can best be used.

Alcohol production here is still in its commercial infancy, but the patterns will be set now and will be difficult to reverse in later years. Given the pressure on potential food supplies, is it not better to start a fuel alcohol plant using some of the materials the hon. member mentioned, such as wood, crop residues and high carbohydrate non-food materials? Then food grains could be added, but only under conditions of deterioration which would be a total loss under any other circumstances.

Already the Saskatchewan government has made a pioneering effort in the commercial alcohol area, as has a plant in Manitoba. A research contract in connection with the Federated Co-operatives for a pilot ethanol plant is the first step. The research part of the agreement calls for investigation of crop residues and wood as an alcohol feedstock.

Some of the fastest growing trees, such as poplar on the prairies, could well be the basis of part of this beginning industry. I was happy to hear the hon. member for Wetaskiwin allude to these as possible sources for the production of alcohol. Obviously this is a question which needs far more examination and planning before it takes its final form. Too often a plant is built and the raw materials are available for only a very short time.

The Canadian Wheat Board would be an excellent vehicle for determining available grain supplies for such a venture. As a central selling agency, the board can do much to plan and shape a fuel alcohol industry in Canada. However, the board is ultimately an administrative agency, one that is charged specifically with providing farmers with the best prices in the selling of their grains. Thus a political decision must be taken, and taken in Parliament, as to how the broader use of alcohol-source materials can best be deployed. Maybe this should not be the responsibility of the wheat board.

I hope that the government speaker on this bill will give us some information on what the state of government planning is on this important subject. We on this side of the House always express the hope that the government will have considered something that goes a bit beyond what is happening today.

Too often, I am afraid, the response of the government consists of a few off-topic notes which are suitably garbled by the government spokesman and constitute nothing more than a slap in the face of Parliament and what is the democratic process in Canada. The hon. member for Wetaskiwin deserves better. He has brought forward a serious proposal which deserves every consideration by the government, the House, the Standing Committee on Agriculture, the Department of Agriculture and the Canadian Wheat Board.

I look forward to the government's response as an indication of how it intends to respond to an initiative which I and the New Democratic Party support because it not only exceeds the scope of the most effective government agency in grain marketing, of which I approve, but also addresses itself to a question which has tremendous implications for all Canadians in the future. How we get our fuel in the next few years will be very pertinent to the way in which we live.

Mr. Robert Bockstael (Parliamentary Secretary to Minister of Transport): Mr. Speaker, with reference to private members' Bill C-259, an Act to amend the Canadian Wheat Board Act, the government would not support the amendments to the Canadian Wheat Board Act proposed in this bill for a number of reasons.

The Canadian Wheat Board already has the legal authority to take delivery of, to handle, distribute, and so forth, grain for the purpose of producing fuel alcohol. In fact, a company has been established in Manitoba, Mohawk Oil Company, which is at present producing fuel alcohol from grain. This company has had discussions with the Canadian Wheat Board on its requirements and how deliveries of grain for this purpose would be fitted in with administration of the Canadian Wheat Board Act and regulations.

The Minnedosa Company has been granted permission to buy off-board grain as an elevator and account to the board accordingly. It will be buying off-board grain directly from producers. This makes it possible for grain of the type described in this bill to be purchased, if they wish to do so. They may also purchase off-board stocks from out of country elevators if they can find suppliers.

Since its requirements are feed grain, purchases are made off-board and do not fall under the board's quota system. There has to be a notation made in the permit book to meet the administrative regulations of these off-board quotas. Deliveries are made from grains grown in Manitoba and since the byproducts in addition to the fuel alcohol are also sold in Manitoba, this operation is deemed to be intra-provincial and therefore outside the terms of the Canadian Wheat Board Act. Nevertheless, the plant is operating and in compliance with quota regulations under the Canadian Wheat Board Act for off-board deliveries, and there is no hindrance to its operations.

• (1640)

Recently, interest has bee expressed by a group of Albertans in establishing a grain-based fuel alcohol plant in that province. They have also approached the Canadian Wheat Board on this. This group has been informed that arrangements identical to those made for the Manitoba company would also be made for them. These arrangements would be to designate the plant as a licenced delivery point under the terms of the Canada Grain Act. Then under the terms of the Canadian Wheat Board Act, the plant would be empowered to take delivery of grains and make the necessary notation in producers' permit books, recording deliveries of off-board grains and reporting such deliveries to the board in accordance with the board's statistical requirements under the act.

The suggestion made by the hon. member who introduced this legislation is that infested and contaminated grain must have an outlet in order to facilitate the production of grain based fuel alcohol. The Canadian Grain Commission, whose responsibility it is to ensure that grain moving into commercial channels meets with Canada's stringent quality and health requirements, advises that infested and contaminated grains, when detected, are isolated and actions to fumigate or decontaminate are taken so that the grain can be allowed to be sold commercially. Commercial sale, of course, means that the producer receives an ordinary return for his product rather than being forced to destroy the grain or otherwise dispose of it at a loss. In any case, in terms of the Canadian experience, the quantities of infested and contaminated grain actually entering commercial channels are exceedingly small. Such quantities would not form an adequate base to supply a plant or plants producing fuel alcohol from grain.

The Canadian government is aware and informed of work that has gone into the development of gasohol, a blend of ethyl alcohol and gasoline. The U.S. has had a major program in existence for several years, which has been very costly and appears to be less than successful. It has been a subsidized program. Some of the problems are as follows: One, energy input is greater than energy output—in other words, it requires more energy to produce a gallon of alcohol than you can get out of that gallon; two, a product with a high starch content such as corn is preferable as yields of alcohol are greater; three, the cost of ethyl alcohol is wholly dependent on the cost of raw materials. Therefore, the finished gasohol is also dependent on raw material costs. Four, an economically-sized plant should produce a large quantity of alcohol. Some plants produce up to 10 million gallons, while others produce 50 million gallons of alcohol. It would require 23 million bushels of grain to produce 50 million gallons of alcohol. Five, supplies of low quality grain are unpredictable. Therefore, supplies of necessary cheap raw material would also be unpredictable.

There is also a suggestion in the bill that surplus grain must be made available through the Canadian Wheat Board for the production of fuel alcohol or ethanol. As the hon. member must be aware, the Canadian Wheat Board does not feel that such surpluses exist or will exist in the future. It would seem appropriate for me to read into the record a statement made by the Canadian Wheat Board about its proposed target for shipments in the 1981-82 crop year.

The Canadian Wheat Board announces its export targets for 1981-82 as follows:

—The Canadian Wheat Board today announced an export target of 26 million tonnes of western Canadian grains, oil seeds, and products for the 1981-82 crop year.

The target represents an increase of more than 13 per cent over the previous record set in 1979-80, and is in line with the longer term objective of 30 million tonnes by 1985-86.

The board said . . . that western grain growers have presented a challenge to the grain handling and marketing system by producing a record harvest. The western Canadian crop . . . is estimated by Statistics Canada in . . . forecast at more than 41 million tonnes, surpassing the previous record output by some 3 million tonnes, or about seven per cent.

Last Wednesday at the Saskatchewan wheat pools annual meeting it was reported that, indeed, we had a record prairie gain harvest of 41.8 million tonnes, which is only 13 per cent short of the target for 1985. The Canadian Wheat Board plans to export 26 million tonnes of grain products this year, only 15 per cent less than its projected target of 30 million tonnes in 1985.

The inference in this proposed legislation is that by giving the legal power to the Canadian Wheat Board to market such grains, a plant producing fuel alcohol from grain would obtain a low cost raw material in sufficient quantities that would sustain the production of ethanol on a commercial basis. The Canadian Wheat Board was established as a producer's marketing board to sell on behalf of farmers in western Canada to their best advantage. This bill, with its basic intention of getting the Canadian Wheat Board involved in supplying western grains for the production of fuel, would not work to the advantage of the company or companies concerned as the Canadian Wheat Board would constantly try to seek the highest price for grain in both the domestic and export markets.

Canada, with its enviable record as a producer of quality grains, does not set out to produce low grades which might be suitable for use as a fuel. In fact, over the past 25 years, over 76 per cent of Canada Western Red Spring Wheats have graded either number one or number two. The Canadian Wheat Board's press release of October 16 on the subject of record quantity of grain supplies available in the 1981-82 crop year would seem to be noteworthy. It reads:

—a Canadian Wheat Board survey—

—forecasts and has determined from its—

—country elevator managers . . . that farmers in western Canada have a record quantity of grain supplies, with above average quality, available for delivery this year.

According to the survey, farmers have 39,676,000 tonnes of the six major grains available for delivery.

The important thing is above average quality. The top two grains combined account for 82 per cent of the total Canada Western Red Spring Wheat supplies compared to the 25 year average of 76 per cent.

Supplies of No. 3 Canadian Red Wheat were estimated at 2,587,000 tonnes, while Canada feed was estimated at only 182,000 tonnes, which is down from 1,804,000 tonnes from last year. I am trying to indicate by this that there is very little low grade wheat available for the production of gasohol.

The Canadian Wheat Board was consulted and they suggested the concept and application of these amendments would raise many difficulties among them. Under the Canada Grain Act, infested or out-of-condition grain can only enter or be discharged from an elevator with the approval and by order of the Canadian Grain Commission. If this is done, the bin and equipment used must subsequently be fumigated as must railway cars and terminals handling it. If trucks are used to transport this grain, they must also be fumigated before carrying other proper grain. Infested grain, when found on a farm, is usually not in a large quantity. The practice has been for the owner of such grain to sell it to nearby feeders or other purchasers in ways that do not involve the ordinary commercial grain handling system. The board has the power to buy infested or out-of-condition grain if it so wishes, but the board has never knowingly made such purchases except for out-of-condition grain in the tough and damp categories which can be conditioned by blending or drying. It would be better to leave the present practices in operation and allow the producers of such grain as the bill describes to dispose of it as it has been in the past, with the additional alternative of selling to a methanol plant in the manner described.

● (1650)

Before concluding, therefore, let me say that the government does not feel that the Canadian Wheat Board Act need be amended as set out in the bill. A firm which is already producing fuel alcohol is receiving quantities of grain off-board directly from producers by truck. The arrangement is apparently to the satisfaction of the company, the producers and the board. The quantities of infested, out-of-condition or low grade grain are never very large. Empowering the board to take delivery and dispose of such grains would not be very practical and the administrative costs could be substantial. Low-grade wheats tend to remain outside the usual market channels. They are fed to animals or are disposed of by producers. The small quantities of infested and contaminated grain which might possibly enter the system are rigidly controlled and are not permitted to move through regular commercial channels when detected. It is the opinion of the Canadian Wheat Board that it would be better to leave the present practices in operation to allow producers to dispose of low-grade, infected, contaminated or out-of-condition grain as they have in the past.

The car unloads at Thunder Bay have steadily increased. We will be able to reach record highs of delivery of grain in the current crop year. The car unloads at Thunder Bay this week demonstrate that there has been a real pick-up since the strike. In the week ending November 14, on the west coast there were 2,593 car unloads and at Thunder Bay, 6,989, for a total of 9,582 car unloads this week as compared to 7,676 at the same time last year.

What is of more concern to western farmers is the transportation and the availability of equipment to move grain to market and to export. The Minister of Transport (Mr. Pepin) is taking all necessary steps with Mr. Radke of the Grain Transportation Authority to ensure that the grain transportation system is able to move 26 million tonnes to export position this year. The terminals at Vancouver will have to handle 20 per cent more grain than the record set last year, while at Thunder Bay handlings will have to be about 16 per cent better than any previous record there. Total exports to November 4 from all ports were 2.6 per cent ahead of Thunder Bay early in the crop year. To quote from a telegram which I received, Mr. Radke said:

> The short-term outlook in transportation is good and recent steps toward financing a new terminal at Prince Rupert, along with commitments to purchase six new lake freighters, promise even greater capacity.

Mr. Radke also recommended that the Canadian Wheat Board or the Canadian government acquire additional hopper cars in the next three years. This is one of the matters with which the Minister of Transport will deal.

By giving these examples I am trying to say that we have fine quality wheat. It is all needed for export, it is all being sold. There is little of it to be disposed of, in the manner of contaminated or spoiled wheat, for the production of gasohol. There is no need to amend the Canadian Wheat Board Act at this time to provide gasohol plants in either Manitoba or Alberta. It is possible under the current system, with the present regulations and authority of the Canadian Wheat Board, to do so. For this reason the government urges the House not to agree to the amendments proposed in Bill C-259.

Mr. Gordon Taylor (Bow River): Mr. Speaker, I do not want to talk out this bill because it is an excellent one. I congratulate the hon. member for Wetaskiwin (Mr. Schellenberger) for introducing it. The entire address read by the parliamentary secretary—and I emphasize "read"—is most dismaying. It shows a lack of desire to do anything new—do not rock the ship, do not do anything the Canadian Wheat Board or the government does not want to do. He did not say that the farmers did not want to do it. Farmers should be given an opportunity. The Canadian Wheat Board has annual meetings. It would be logical for the Wheat Board to give the farmers who produce wheat an opportunity to do it.

A few years ago a good field of soft wheat was lost in the Medicine Hat area because there was no place for it. The hon. member for Wetaskiwin is not saying that they should interfere with the good, high protein wheat; not at all. This can be done—there is always some spoiled wheat.

In connection with the lack of food and the immorality of using wheat for alcohol production, at the present time there is a method of taking out the high protein, leaving the basic food product. It is not a case of doing this or that. The wheat board has never challenged farmers to produce more wheat or differ-

ent types of wheat. We are not living in a stagnant world. If that attitude had prevailed years ago, we would still be plowing our fields with oxen and riding around in buggies. The government should become involved in research. It should realize that there are advances to be made and that this bill would be an advance. I think the farmers of western Canada would go for it. We are not asking them to give up growing good wheat. We are asking that the other wheat be used. Let us establish another industry. It would mean more jobs. There are a million people unemployed because the government has no initiative. It does not want to turn to research, it does not want to rock the boat. It wants to leave everything the way it is. This is why we are going backwards. It is the old turkey dance—one step forward and about five steps backward. This bill should be passed. Farmers should be given an opportunity to say whether they want to do it or not.

[*Translation*]

Mr. René Cousineau (Gatineau): Mr. Speaker, I did not intend to speak to this bill because I know the hon. member who introduced it is very interested in renewable energy. Now, after reading the bill as well as several press releases, I cannot help but object to the bill itself.

This bill, Mr. Speaker, referred to as the Bill to Amend the Canadian Wheat Board Act, is aimed at extending the objects and powers of the Canadian Wheat Board so as to allow it to purchase and market surplus or deteriorating grain for eventual use in the production of fuel alcohol, or farm ethanol, as this surplus is called. Now, I do not think that a country like Canada, which has an excellent reputation as a top quality wheat producer, would purposely produce wheat for the production of fuel alcohol. For the last 25 years Mr. Speaker—

Mr. Deputy Speaker: Order, please. The hour provided for the consideration of private members' business has now expired.

[*English*]

It being five o'clock, the House stands adjourned until Monday next at 2 p.m., pursuant to Standing Order 2(1).

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

HOUSE OF COMMONS

Monday, November 23, 1981

The House met at 2 p.m.

• (1405)

ROUTINE PROCEEDINGS

[*English*]

GREY CUP GAME, 1981

OUTCOME OF CLASSIC CANADIAN FOOTBALL CHAMPIONSHIP FINAL—MOTION UNDER S.O. 43

Hon. Steven E. Paproski (Edmonton North): Madam Speaker, I rise under the provisions of Standing Order 43 on a matter of urgent and pressing necessity. I move, seconded by the hon. member for Nepean-Carleton (Mr. Baker):

That special status in this nation be entrenched for the Eskimos of Edmonton for their exceptional contribution on Sunday to Canadian football, and that honourable mention be accorded the Rough Riders of Ottawa for their courage, their skill, and their sportsmanship.

Madam Speaker: I suppose the whole House agrees?

Some hon. Members: Agreed.

Motion agreed to.

* * *

AGRICULTURE

CALL FOR IMPLEMENTATION OF FIXED INTEREST RATE POLICY FOR FARMERS—MOTION UNDER S.O. 43

Mr. Girve Fretz (Erie): Madam Speaker, aside from the great depression it is impossible to recall a time when Canadian agriculture has suffered such severe and devastating harm, and it is all due to the government's economic mismanagement. Farmers are dependent upon credit, and the high interest rate policy pursued by the Minister of Finance (Mr. MacEachen) has pushed farmers to the wall, to the point where farm bankruptcies have increased 139 per cent in two years. In light of this I move, seconded by the hon. member for Lethbridge-Foothills (Mr. Thacker):

That the Minister of Finance make long-term capital at a fixed rate of interest available to farmers.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

SMALL BUSINESS

APPLICATION OF DEVELOPMENT BOND PROGRAM—MOTION UNDER S.O. 43

Mr. Nelson A. Riis (Kamloops-Shuswap): Madam Speaker, I rise under the provisions of Standing Order 43 on a matter of urgent and pressing necessity to the small business community, including many small farming operations.

Since the government has now limited the use of Small Business Development Bonds to only those businesses and farms in financial difficulty, the number of which is rapidly becoming a majority, and since confusion exists as to just what is meant by "financial difficulty", and just when this new legislation is to become effective, I move, seconded by the hon. member for Spadina (Mr. Heap):

That this House request the Minister of State for Small Businesses and the Minister of Agriculture to issue releases immediately to the financial and small-business communities clarifying the changes to the SBDB as they now relate to both small businesses and small farms.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

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AGRICULTURE

SUGGESTION MINISTER SPEAK IN BUDGET DEBATE—MOTION UNDER S.O. 43

Mr. Blaine A. Thacker (Lethbridge-Foothills): Madam Speaker, whereas the Liberal government's energy taxes hit farmers extra hard, and whereas the Liberal government's budget of November 12 abolished income averaging annuities and the capital gains tax reserve, both of which were used to preserve the family farm, I move, seconded by the hon. member for Bow River (Mr. Taylor):

That the Minister of Agriculture speak soon in the budget debate to answer for his failure to prevent the above attacks on the farmers of Canada.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

S.O. 43

THE ECONOMY

CALL FOR INTRODUCTION OF NEW POLICIES—MOTION UNDER S.O. 43

Mr. G. M. Gurbin (Bruce-Grey): Madam Speaker, I rise under the provisions of Standing Order 43. On Saturday, November 21, tens of thousands of demonstrators gathered on Parliament Hill to try to explain to the government the real impact of its high interest rate policy and years of poor economic planning. The response of the Parliamentary Secretary to the Minister of Finance (Mr. Evans) was that the representations were "simplistic and naive". The minister responded by urging the provincial governments to "turn a deaf ear" to the 900,000 unemployed. We hope that the provinces are not as hard of hearing as the federal government. I move, seconded by the hon. member for Etobicoke Centre (Mr. Wilson):

That the Minister of Finance recognize the responsibility he shares for the policies and problems successive Liberal governments have created, and now produce policies that will return investment, jobs and hope for Canadians facing a severe recession.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

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THE BUDGET

ENDORSATION BY FORMER PRESIDENT OF PROGRESSIVE CONSERVATIVE PARTY—MOTION UNDER S.O. 43

Mr. Jack Burghardt (London West): Madam Speaker, I rise under the provisions of Standing Order 43. It seems that a prominent member of the Progressive Conservative Party, in fact a former national president of that party, none other than Dalton Camp, has endorsed the budget tabled last week by the Minister of Finance (Mr. MacEachen).

Some hon. Members: Oh, oh!

An hon. Member: You better watch out.

Mr. Burghardt: I move, seconded by the hon. member for Parkdale-High Park (Mr. Flis):

That this House call upon Mr. Camp to come to Ottawa and hold meetings with his former protégé, the Right Hon. Leader of the Opposition, in order to instruct the latter on basic economics.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

● (1410)

APPLICATION OF TAX REMISSION FOR NORTHERN RESIDENTS—MOTION UNDER S.O. 43

Mr. Peter Ittinuar (Nunatsiaq): Madam Speaker, I, too, rise under the provisions of Standing Order 43. Given the fact that in his recent budget the Minister of Finance (Mr. MacEachen) extended for one year the special tax remission for employees working in the north, and given the fact that this measure benefits only a certain proportion of the people in the north, namely, non-residents, and whereas all residents must bear the same highest cost of living in the country, I move, seconded by the hon. member for Skeena (Mr. Fulton):

That the Minister of Finance take immediate steps to provide equal tax remissions to all residents of the Canadian north.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

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METRIC CONVERSION

CONDEMNATION OF PROGRAM—MOTION UNDER S.O. 43

Mr. Bill Domm (Peterborough): Madam Speaker, the Americans have abandoned their metric board and the British have abandoned their metric board, and together they are major trading partners representing 86 per cent of our total trade. They have either reverted to or stayed on weights and measures in imperial while our government, which preaches restraint, grants our Metric Commission in Canada $12 million under supplementary estimates in 1982, including $3 million for salaries, and $2 million for forced implementation of metric in the retail food stores. I move, seconded by the hon. member for Bow River (Mr. Taylor):

That this House condemn the government's mad plan to force metric on the people of Canada against their will, particularly in the retail food stores.

Some hon. Members: Hear, hear!

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

MARINE TRANSPORT

FERRY SERVICE BETWEEN NEWFOUNDLAND AND NOVA SCOTIA—MOTION UNDER S.O. 43

Hon. John C. Crosbie (St. John's West): Madam Speaker, I rise under the same Standing Order and move, without preamble, seconded by the hon. member for St. John's East (Mr. McGrath):

That the Minister of Transport either rescind his decision to reduce the ferry service from North Sydney to Argentia, Newfoundland, by removing one of the two vessels now in use, thus crippling transport services to Newfoundland for tourists and Newfoundlanders alike, and creating further unemployment, or resign immediately and admit his abject failure to deal fairly or adequately, or at all, with the Atlantic area transportation problems.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

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FORESTRY

INITIATIVES TO AID INDUSTRY—MOTION UNDER S.O. 43

Mr. Rod Murphy (Churchill): Madam Speaker, I rise under the provisions of Standing Order 43. In view of the more permanent closures in the forest industry in the last two weeks which have resulted in 850 more people being unemployed, and in view of the current lay-offs in the forest industry, which means one quarter of the workers in the forest industry of British Columbia are unemployed, as well as high rates of unemployment in the forest industry elsewhere in Canada, I move, seconded by the hon. member for Skeena (Mr. Fulton):

That this House demand that the government immediately present the new initiatives for the forest sector promised in the budget and that these initiatives include emergency funding to enable the provinces to create employment in reforestation programs, and further, that these programs give preference to those forestry workers who have already lost their jobs as a result of the economic policies of this government.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

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FISHERIES

SUGGESTED REFERRAL OF PEARSE COMMISSION REPORT TO STANDING COMMITTEE—MOTION UNDER S.O. 43

Mr. Donald W. Munro (Esquimalt-Saanich): Madam Speaker, in view of the importance of the fishing industry to this country and to the number of fishermen who could be laid off on the west coast as a result of recommendations that are before the present government, I move, seconded by the hon. member for Prince George-Peace River (Mr. Oberle):

That this House be given a reference so that the Pearse Commission Report may be studied by the appropriate committee.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

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AGRICULTURE

SUGGESTED REDUCTION IN INTEREST RATES—MOTION UNDER S.O. 43

Mr. Gordon Taylor (Bow River): Madam Speaker, agriculture needs help. Every month the obituary column cites increases in farm foreclosures and bankruptcies, to say nothing of the farmers who, frustrated and angry, just give up. Farmers are being told to sell some of their land to pay their debts, yet the land is their only means of survival. The budget, by eliminating the income averaging contract, and the government's white paper threatening 100 per cent capital gains tax, dampen the enthusiasm of the young and make the elderly afraid to retire. I move, seconded by the hon. member for Lethbridge-Foothills (Mr. Thacker):

That the Minister of Agriculture cut the interest rate, use the Stabilization Act, the Farm Credit Corporation Act and every other means available to save our farms now.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

● (1415)

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

DEMONSTRATION ORGANIZED BY CANADIAN LABOUR CONGRESS—GOVERNMENT RESPONSE

Hon. Michael Wilson (Etobicoke Centre): Madam Speaker, on Saturday 100,000 Canadians participated in a dramatic demonstration of dissatisfaction with the current economic policies of the government. Clearly these Canadians feel that the budget made no attempt to address the present recession. This morning the heartless response of the Minister of Finance was "to turn a deaf ear to these pleas", the pleas of Canadians who are suffering greatly from high interest rates, inflation and unemployment.

My question is directed to the Minister of Industry, Trade and Commerce. Does that statement represent the sum total of the response of the government to these 100,000 Canadians and many other Canadians who are suffering so much from the policies of the government?

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Madam Speaker, the budget statement, and in particular the economic development strategy tabled with it, demonstrate the intention of this government to work to strengthen the economy and to deal with the unemployment problems we have at this time. The basic thrust of the budget is to create a climate of greater stability in prices and interest rates. I think that in itself will have a major positive effect on over-all job creation across the country.

EFFECT OF BUDGET IN PRODUCTIVITY

Hon. Michael Wilson (Etobicoke Centre): Madam Speaker, with that response the Minister of Industry, Trade and Commerce has told us that he is totally out of touch with reality. The response of Canadians across the country is one of great disappointment and great dissatisfaction with what the budget is doing. The economic development program itself is down $2 billion compared with the projections of last year, so that is how much this government is doing.

The budget papers further show that Canadian productivity ranked dead last among the industrialized countries of the world in 1980 and in the period 1973 to 1980. The minister knows that this is one of the key factors leading to the higher unemployment rate we will see over the next five years, again according to the budget.

Why did the budget introduce specific actions which will reduce productivity because of the significant deterrent for Canadians to invest in new plant and equipment?

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Madam Speaker, the hon. member speaks of productivity. I know of measures connected with it in the economic development document which are intended to enhance productivity. I refer to the commitments in it with respect to measures under the responsibility of my colleague, the Minister of Employment and Immigration. I refer also to the announcement in the document that we will be creating a new industrial opportunities program to enhance the capacity of the federal government to aid our industry in being more innovative and to aid it in its over-all development. These are major measures aimed at improving productivity. As usual, my hon. friend is quite wrong when he says that this budget ignores the need for a major thrust to improve Canadian productivity.

EFFECT OF BUDGET ON CANADIAN OWNERSHIP OF INDUSTRY

Hon. Michael Wilson (Etobicoke Centre): Madam Speaker, I think I should ask the minister to reread that document. There is nothing new in it. It is a different packaging of things which had already been introduced by the government but which were not doing the job. There are no new initiatives—and I think the minister should realize that—which will change this productivity thrust. The budget itself represents a major step backwards in efforts to increase Canadian ownership of our industry because of these new deterrents to investment. If I might refer these to the minister, ours is the only country in the world which proposes to tax life insurance. There is a proposal to change the rules on interest deductibility, which will be very negative for small businessmen and high technology companies.

Will the minister, who is now known as the defrocked minister of Canadian ownership, consider introducing alternative incentives to encourage Canadian ownership to offset these budget changes?

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Madam Speaker, I think it could be argued that the over-all reduction in income tax rates places more money in the hands of Canadians, and they will be able to use it for investment in productive activity in Canada. That is a major initiative in the budget which goes in exactly the opposite direction to what my hon. friend suggests is the approach of the budget. The Minister of Finance has said that he is willing to look at representations about the effect of the budget, and I can only repeat what he has said in that particular regard.

I think there is a number of initiatives connected with the budget which are intended to reinforce a movement not only to lower interest rates but also to over-all growth of the economy, and I think we all have to work to make sure that the budget achieves that.

● (1420)

With respect to Canadian ownership, we have confirmed our basic commitments in that regard. In particular, we are carrying forward the major thrust of Canadianization of the National Energy Program. I am surprised my hon. friend cries out about an alleged setback in Canadian ownership when he and his party have steadfastly opposed that basic idea of the National Energy Program. No wonder my hon. friend was defrocked by the Canadian people in the last election. They will do it again the next time they have a chance.

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TRADE

RESULT OF DISCUSSIONS WITH JAPANESE GOVERNMENT

Hon. John C. Crosbie (St. John's West): Madam Speaker, my question is not to the hon. Barbie doll but to the Secretary of State for External Affairs, from whom we might get some kind of an answer. The minister recently visited Japan. Apparently his main purpose was to ask the Japanese government to urge the United States government to permit Canada to participate in the trade consultations proposed by the United States, between them, the European Community, and Japan.

The minister went to Japan with his begging bowl. Did the Japanese government promise to support Canada's position vigorously, that we be admitted to these talks with the three parties that are meeting and have met together? Have they agreed to press that?

Second, can the minister tell us whether the United States government has now withdrawn its objection to the participation of Canada in view of the government's surrender with reference to its election promises on FIRA, and the humiliation and emasculation of the Minister of Industry, Trade and Commerce? Has the U.S. government now withdrawn its objection? What is the position?

Hon. Mark MacGuigan (Secretary of State for External Affairs): Madam Speaker, I am glad to see that the hon. gentleman is continuing his sometime interest in external affairs. However, he has mingled two very diverse questions. The focal point of my official visit to Japan was not, as the hon. member says, to deal with the question of the restricted trade talks, but was to urge more and freer trade between Canada and Japan, particularly to try to facilitate the entry of more Canadian manufactured and semi-manufactured products into Japan, and also to encourage Japanese investment in Canada, as well as to discuss multilateral issues.

The hon. gentleman is quite right in suggesting that I did discuss the question of the restricted trade talks with the Japanese government. I have to say that I got a somewhat different message from the two Japanese ministers with whom I discussed the question. One took the view that the matter should really be left to the United States. The other was more supportive in his response.

Coming to the other question of the hon. member, I do not know if it was a question on which he places greater stress or not, but he did slip it in at the end, the question of the American response to FIRA. The United States does not have any general objection to FIRA. They have made it clear they have no general objection to our policies either of Canadianization or FIRA. Their problems are with certain very specific things which are done by the National Energy Program and by FIRA. We are having intensive discussions on those issues with the United States to try to assure them of the fairness of our procedures.

POSITION OF UNITED STATES ON CANADIAN PARTICIPATION IN TRADE TALKS

Hon. John C. Crosbie (St. John's West): Madam Speaker, my sporadic interest in external affairs is less damaging to Canada than the minister's constant interest in external affairs. The organ grinder is away and the monkey is being questioned in his place today. I will come back to the question.

Has the United States withdrawn its objections, not to FIRA—we know they are continuing—not general but specific objections to the participation of Canada in the trade talks with the European Community, Japan, and the United States, which the United States has proposed? The United States is punishing the minister and the government for some irritants it caused the United States. Because of the change announced in the budget on FIRA, because of the promise of good behaviour by the Minister of Industry, Trade and Commerce, have the U.S. authorities now withdrawn their objection? That is my question to the minister. Will he answer that?

Hon. Mark MacGuigan (Secretary of State for External Affairs): Madam Speaker, if that was the point the honourable member was trying to make in his previous question, I am glad he had a second try. In fact the United States has not taken a position as an administration with respect to the restricted trade talks which is in the direction the honourable member suggests. Indeed, Mr. Brock, who is the ambassador with special trade responsibilities, it seems to me had attempted to sponsor a previous meeting to which Canada was not invited. That meeting was cancelled by the President, I believe, because Canada was not invited. Therefore the general position of the U.S. administration on that, and with regard to many other things, appears to be understanding of and sympathetic with the Canadian position. We are doing our best from this side of the House to work out with them the particulars of difficulties which they may have with some points of our legislation and policy.

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● (1425)

THE ECONOMY

DEMONSTRATION ORGANIZED BY CANADIAN LABOUR CONGRESS—GOVERNMENT POLICY ON INTEREST RATES

Mr. Edward Broadbent (Oshawa): Madam Speaker, my question is directed to the acting Prime Minister. Since the budget, home owners have protested, farmers have protested, and small business men have protested the devastating effects of high interest rates. On Saturday the largest crowd in Canadian history assembled on Parliament Hill to demonstrate their outrage, and they demanded a change in the government's high interest rate policy. Is the government now prepared to listen to the people of Canada, representing every sector of the economic spectrum, and change its high interest rate policy?

Some hon. Members: Hear, hear!

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, I heard somebody referring to the fact that last Saturday there were no Liberal members present to witness the manifestations that took place in Ottawa. I want to emphasize the fact, so that the public will know, that it was at the very request of the CLC that meetings were organized on Thursday with ministers and different regional caucuses. That should be very clearly emphasized.

Mr. Broadbent: There were no politicians there.

Mr. Pepin: I understand my hon. friend was there.

Mr. Broadbent: No.

Mr. Pepin: Anyway, some opposition members said a moment ago that there were no Liberal members at that particular meeting. I just wanted to make the public aware of the fact that there had been meetings with ministers and with Liberal Members of Parliament within the regional caucuses last Thursday. I just wanted to make sure this was known. These representations were heard by the Minister of Finance. The other day the minister responded to a question put by the hon. member from Hamilton, when he indicated his willingness to look into some of the suggestions made to him. Obviously this will continue in the future.

REQUEST FOR CHANGE IN GOVERNMENT POLICY

Mr. Edward Broadbent (Oshawa): Madam Speaker, if verbal fog were an economic solution, the contribution of the minister would have removed all economic problems for Canadians a long time ago. The Minister of Finance alluded to an effort that would be made by the banks to help home owners. That has already been turned down by the banks, I tell the minister. If the people who were protesting out in front of this building on Saturday have to renew their mortgages either this year or in 1982, the average increase will be $200 to $300 a month, and considering we have lost, since August alone, 50,000 jobs in lay-offs, when will the government simply stop pursuing its old policy and start listening to the people of Canada?

Some hon. Members: Hear, hear!

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, as everyone knows, there were measures taken in the budget at least to help mortgage renewers at this time. Since then there has been a substantial reduction in the interest rate; six points have been shaved from it in recent months. Obviously that situation is improving. If the government feels that more help is needed, the Minister of Finance will announce that in due course.

DIRECTION OF ECONOMIC POLICY

Mr. Edward Broadbent (Oshawa): Madam Speaker, I shall ask the minister the question again. Even with the current interest rate people renewing their mortgages will have to pay $200 to $300 a month more, which means a $200 to $300 a month decline in their standard of living. Considering that in the budget itself there is a forecast increase in unemployment not only for 1982 but for 1983 and 1984, and that there has been no change in the direction of economic policy, does the government ever plan to listen to the people of Canada, or will it go blindly on and do to this country what Margaret Thatcher has done in the United Kingdom?

Some hon. Members: Hear, hear!

● (1430)

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, obviously when the Minister of Finance wrote his budget he was aware of all these facts. He was also aware that wages in Canada have increased for a great number of people and that there are a number of people who could not purchase homes and consequently do not face the problem of increased mortgage rates. These people should not be penalized in comparison with those people who thought they could afford homes at that time. Many in the first group will tell us that if interest rates should continue to go down they will obviously be in a much better position to face the problem they have now.

Mr. McDermid: Except those who have renewed their mortgages at 21 per cent.

Mr. Pepin: This is the general policy of the government—to reduce interest rates. Obviously some of the measures which are taken to achieve that objective are hurting some people, but generally speaking I think Canadians agree with the objectives of the budget.

Some hon. Members: Oh, oh!

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FORESTRY

REQUEST FOR ASSISTANCE TO INDUSTRY

Mr. F. Oberle (Prince George-Peace River): Madam Speaker, my question is directed to the Minister of Industry, Trade and Commerce. It is now estimated that by year's end the forest industry in the country will be down by 50 per cent, which will have the potential of 300,000 direct and indirect workers being unemployed for most of next year. Since this phenomenon is directly related to the government's deliberate policy of neglect, to its high interest rate policy and to its most recent budget policy, could the minister, who likes to believe in major thrusts, tell me whether the depletion of the $4 billion western resource fund is one of the major thrusts he has in place for helping this industry which is faced with a very serious problem? From where will he get the money to do the things he usually says he will do for the industry, in finding new markets and securing a resource base, if there is no longer any money left in the Western Development Fund?

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Madam Speaker, if I recall the budget correctly, it set out some very important ways in which the Western Development Fund will be used.

Some hon. Members: Where is it?

Mr. Gray: Moving more specifically to the hon. member's question, he seems to overlook the fact that the problem faced by the forest industry across Canada is due principally to the decline in the housing market in the United States and its interest rate policy, something over which this government certainly has no control, although as I have said in the past, many hon. members of the official opposition seem to have

originally delighted in the kinds of policies imposed by the Reagan administration in that country.

We will be continuing our effort to help the forest industry in British Columbia to find additional markets quite apart from the United States, through programs such as the Co-operative Overseas Marketing Development Program which we run jointly with the British Columbia Forest Products Council and the British Columbia provincial government. Just a few months ago we signed an agreement to increase our funding. The result of that program has been that, over less than ten years, there has been an increase in the export of British Columbia forest products to markets other than the United States, from some $200 million to close to $1 billion. I think this is an important record of co-operative effort by the industry, the federal government, and the province. I certainly intend to see that these efforts are continued.

Mr. Oberle: Madam Speaker, the minister knows full well that this is not only a problem which is serious in British Columbia. It is more serious there because 60 per cent of its total economy is based upon the forest industry, but it is a problem throughout the country. This most important industry is facing a very serious crisis. Regardless of what the minister says, they are not doing anything about it.

STRENGTH OF CANADIAN FOREST SERVICE

Mr. F. Oberle (Prince George-Peace River): Madam Speaker, my supplementary question is directed to the minister responsible for forestry. One problem the industry is facing of course is the incredible accelerating depletion of the resource base. The minister is fully aware of that. The only thing which depletes faster then the trees in the country is the number of the minister's officials in his department.

An hon. Member: And the Western Development Fund.

Mr. Oberle: It went from 2,400 ten years ago to merely 1,100 now. Recently on televison the minister described this situation as a crisis to which the government must address itself. What is he doing within his department? We know that he does not have any new money in the budget. What is he doing within his department to beef up the Canadian Forest Service to ensure that there is a stable resource base, not only for the industry but to avert very serious consequences in terms of the environment and the ecology? As our trees deplete, so does our fresh water and fresh air. What is the minister doing within his department to take hold of the situation and do something about it?

Hon. John Roberts (Minister of State for Science and Technology and Minister of the Environment): Madam Speaker, as the hon. member knows, within the last year we have enhanced the standing of the forestry service. We appointed Mr. Les Reed as assistant deputy minister, which I think is a very positive step forward; indeed it is one for which the hon. member commended me. I believe the situation, as he correctly described me as saying, is one of crisis in the forest industry in relation to reforestation. This is a matter that is at the heart of the discussion paper I released at the end of September, which I hope hon. members have seen. It was the heart of our discussions with the Canadian Council of Resource and Environment Ministers.

I hope to be making announcements within the next two or three months about various aspects of our own responsibilities, particularly in relation to support of the training of highly skilled manpower, in terms of the improvement of our research effort, and other areas in which the federal government will be taking positive action of its own.

As I believe I explained to the hon. member in committee the other day, we have begun urgent consultation with each province to see how the provincial government and the federal government in each province can act together to create the context which will lead to the kind of reforestation which the hon. member and I would both like to see take place in Canada.

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FITNESS AND AMATEUR SPORT

SUPPORT FOR PROGRAMS SPONSORED BY CANADIAN COUNCIL OF THE BLIND

Mr. Joe Reid (St. Catharines): Madam Speaker, my question is directed to the minister responsible for fitness and amateur sport. The minister knows that the Canadian Council of the Blind has for years encouraged, co-ordinated and developed a program of recreational curling and bowling for those people afflicted with a sight disability. In this year of the handicapped, how does the minister justify the discontinuance of the use of such moneys to aid the council in its activities?

Hon. Gerald Regan (Secretary of State): Madam Speaker, I thank the hon. member for his question. I assure him that in this year of the disabled the department, within its means, had a number of special allocation programs. Every effort was made to utilize those dollars as equitably as possible for the various events organized for people afflicted with different types of disabilities. I take the hon. member's particular question as notice and will provide him with the details on the events into which he inquired.

HOSTING OF GREY CUP RECEPTION IN MONTREAL

Mr. Joe Reid (St. Catharines): Madam Speaker, my supplementary question is directed to the same minister. I understand from this group of people that the funding has been discontinued, as has the funding of Canadian gold medallist handicapped people for their participation in international sport. This being so, in this year of government restraint how does the minister justify the finding of moneys for the first time to host a reception in Montreal at the Hyatt Regency Hotel, promoted and developed by an American public relations group, giving the usual Grey Cup bash a government spending flavour, and staging not one but two Grey Cup shows

during the day? Will the minister follow the lead of the Minister of Finance and accept at least the responsibility for paying the cost of that Hyatt Regency guest reception?

Some hon. Members: Hear, hear!

Hon. Gerald Regan (Secretary of State): Madam Speaker, I was not sure to what the hon. member was leading with his first question.

An hon. Member: Now you know.

Mr. Regan: I am most reluctant to spoil his fun, but I point out that the Government of Canada for the last five years, including the government with which the hon. member was associated, has been supportive of Grey Cup week. It has done that because of the fact that the Grey Cup probably constitutes the only unique national over-all sports event in this country. From the unity point of view it is extremely important for Canada. I hope the hon. member shares with me the pride that I feel in the 2,000 young Canadians who participated in the half-time show, a rather magnificent half-time show, during the Grey Cup game on Sunday.

● (1440)

I want to say further to the hon. member that the funds he refers to, which I think were utilized in promoting a very great and important Canadian event, were not funds that came from the Department of Fitness and Amateur Sport. As I gather was the case in other years, the financing of what I consider to be very worth-while expenditures was undertaken by the Canadian Unity Information Office.

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FISHERIES

RECOMMENDATIONS ON TRANSFERABILITY OF LICENCES

Mr. Ted Miller (Nanaimo-Alberni): Madam Speaker, my question is directed to the Minister of Fisheries and Oceans. In the past two years the minister has received two significant reports. One is the Levelton report entitled "Toward an Atlantic Coast Commercial Fisheries Licensing System" and the other is the Pearse report on the west coast fishing industry. The Levelton report indicates that speculation in licences constitutes one element of over-capitalization and that if some control over ownership is to be exercised, open transfer simply cannot be permitted. Dr. Pearse takes the opposite point of view. He adopts the view that "transferability permits flexible reallocation of the fishing privileges among those who can gain the most value from them which—"

Madam Speaker: Order, please, the hon. member should ask a question, not quote at such length.

Mr. Miller: Madam Speaker, has the minister now adopted a policy that will reflect the view of either Levelton or Pearse, and specifically, is he going to maintain the same transferability privileges that exist now, or will some attempt be made to limit transferability and compensate those who have already invested heavily in licences?

Hon. Roméo LeBlanc (Minister of Fisheries and Oceans): Madam Speaker, the problem with inheriting situations is that you have to live with that realistically and you cannot take ideological stances. In certain provinces licences are not transferable at all. There is no value attached to them. They disappear with the holder. In other provinces they have been the subject of speculation. Dr. Pearse addressed this issue. He will appear before the Standing Committee on Fisheries and Forestry tomorrow, and I hope hon. members will have the chance to sound him out on why he came to certain conclusions. I do not think I would want to prejudge his conclusions before I have had the views of Parliament and of the industry, which I hope to have in the next eight or ten days.

REQUEST THAT FISHERMEN BE CONSULTED ON PROPOSED LANDING TAX

Mr. Ted Miller (Nanaimo-Alberni): Madam Speaker, I appreciate the comment that the minister will review the recommendations in the Pearse report. Another recommendation which will impact very heavily on the fishing industry is the attempt by Pearse to overcome those privileges by putting royalties on profits to the private sector so that the public will accrue some benefit.

In view of the difficulty that the fishing industry is experiencing right now in terms of meeting its expenses, I should like to ask the minister whether he will defer, for the time being, at least until he has an opportunity to confer in depth with the industry, any recommendation made by Pearse on a landing tax to fishermen? Will the minister guarantee the fishermen and this House that they will have full consultation before any precipitous step is taken on taxing fish landings to the fishermen?

Hon. Roméo LeBlanc (Minister of Fisheries and Oceans): Yes, Madam Speaker, there will be full consultation. Certainly the hon. member would not want me to arrive at a conclusion before these consultations have taken place.

QUERY RESPECTING DETAILS OF PROPOSED CONSULTATION

Hon. John A. Fraser (Vancouver South): Madam Speaker, my question is also for the Minister of Fisheries and Oceans. He has just said that he would not want the hon. member to arrive at a conclusion until these discussions have taken place. I am speaking now of the interim recommendations of the Pearse report.

I should like to know from the minister how these discussions will take place. For instance, the United Fishermen and Allied Workers Union will appear before the committee for a couple of hours, and Dr. Pearse will appear before the committee for an hour or two. What other discussions are taking place?

Concern is growing on the west coast that some of the recommendations of Dr. Pearse may work a very serious hardship on the ordinary people in the fishing industry. I should like to know exactly what the minister means when he refers to consultation.

Hon. Roméo LeBlanc (Minister of Fisheries and Oceans): Madam Speaker, surely the hon. member would not want the consultations to take place only in Ottawa. They will take place mainly in the province that is affected, which is British Columbia. That is what has already taken place. My officials have met with representatives of different sectors of the industry, and I will be meeting with representatives of the advisory council which was created by my predecessor. I hope there will be full discussion in these forums. I intend to be in the Prince Rupert area in the middle of December, and again I will meet with groups there.

I encourage full discussion of the report. My worry is that a lot of people are drawing conclusions from the opposition of one group to one recommendation in what is a very broad report. I would hope that everybody would keep an open mind and that we could arrive at conclusions on consensus if possible.

TIMETABLE FOR DISCUSSIONS

Hon. John A. Fraser (Vancouver South): I would remind the minister that a few days ago I asked about Dr. Pearse's report and I point out we all respect Dr. Pearse. I wanted to know what chance there would be for public discussion, and what chance there would be for discussion in front of the committee. The minister indicated that there would be both.

The minister also said that, in view of certain time requirements for the coming season, the government might have to move quickly on some of the recommendations. In general terms I think that is what the minister said.

What we want to know, Madam Speaker, is under what sort of time deadline are we operating. The concern has been brought to us by one group, the minister says. But that group represents an awful lot of individuals, a lot of people and families, and their concerns are very important to them. Under what time limit are we operating?

Hon. Roméo LeBlanc (Minister of Fisheries and Oceans): Madam Speaker, I would have to check the exact words but, as hon. members know, if some decisions are not made before the opening of the season next spring, then obviously there will be a one-year delay before making any changes. The industry advised that, if possible, we should have recommendations from Dr. Pearse early enough to look at them and see if some might be implemented before the 1982 season. That is what I hope to achieve.

CANADIAN TRANSPORT COMMISSION

ABANDONMENT OF BRANCH LINE FROM ROSEDALE TO EAST COULEE, ALTA.

Mr. Gordon Taylor (Bow River): Madam Speaker, my question is for the Minister of Transport. On October 23, 1981, the western wing of the Canadian Transport Commission ordered that the CNR and CPR, and I quote, "shall abandon the branch line from Rosedale to East Coulee" (8.8 miles)." Under what authority was this order made?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, the Canadian Transport Commission has that authority. After analysing a branch line it can either decide to put an end to it or it can decide to recommend a continuation. The decision is reviewable after five years. The Canadian Transport Commission can also recommend to me that a branch line should be incorporated in the basic network system up to the year 2000 and also that it be included in the branch line rehabilitation program. These are decisions for the minister to make, but the Canadian Transport Commission can make a recommendation.

LEGALITY OF ABANDONMENT ORDER

Mr. Gordon Taylor (Bow River): Madam Speaker, since there are millions of tons of coal in the East Coulee area, and Allied Chemicals Canada has a plant on the route, the decision by the CTC is difficult to understand. I would point out to the minister that in 1929 an act was passed by the Parliament of Canada under which Parliament confirmed an agreement between the CPR and the CNR, dated June, 1929, to operate this line "in perpetuity". This statute has never been repealed; it is still on the law books.

● (1450)

Has the CTC the authority to repeal statutes or to make orders contrary to the laws of Canada? I am sure the minister will answer no. Therefore, will the minister review this situation and have the said order rescinded, because it is completely contrary to the statute on the law books of Canada?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, I am quite sure that the Canadian Transport Commission was aware of that legal document. My honourable friend suggests that I look into the matter further. I will. I cannot, however, commit myself to reversing a decision of the CTC. I am quite sure the CTC took the legal document he referred to into account.

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PUBLIC WORKS

CONTRACT FOR USE OF CENTENNIAL TOWERS OFFICE BUILDING IN OTTAWA

Hon. Elmer M. MacKay (Central Nova): Madam Speaker, my question is for the Minister of Public Works. The life

systems of a rather decrepit building here in Ottawa, Centennial Towers are gradually flickering out, such as the elevators and electrical system. This building is reported to be the latest instrument by which the government can extend its largesse to Robert Campeau, a needy builder of Liberal persuasion. Is the Minister of Public Works conversant with this proposed give-away arrangement? If so, will the minister tell the House what the proposed value is of the package to Mr. Campeau? I have heard $40 million or $50 million, for a building worth $5 million or $6 million.

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, I can confirm that the Department of Public Works is negotiating with the Campeau Corporation on the continued use of the building. The negotiations will take into account any necessary changes that are required if the building continues to be used for government purposes.

I do not have the particulars of the cost of bringing the building up to government standards or to local standards. But any such contract, as I am sure the honourable member knows from previous experience, would have to be open to full scrutiny and scrutinized by Treasury Board as well.

REASONS FOR GOVERNMENT PROPOSAL

Hon. Elmer M. MacKay (Central Nova): That is what worries me, Madam Speaker—

Some hon. Members: Oh, oh!

Mr. MacKay: —when I look at les Terrasses de la Chaudière and other of these past horror stories involving taxpayers' money. I understand that the proposed cost of renovations will be about $15 million, which costs will probably be recovered by Mr. Campeau in blended payments.

Some hon. Members: Oh, oh!

Mr. MacKay: Since there are approximately 250,000 square feet of unused space in the Portage building, why is there such a great necessity to extend government largesse to Mr. Campeau? Is he too affected by this budget to that extent?

Some hon. Members: Oh, oh!

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, I suppose the gentleman to whom the hon. member has referred as an officer of a corporation is subject to any general change in the budget that affects any corporation in Canada. In so far as the use of government buildings both in Hull and Ottawa is concerned, I can advise the hon. gentleman that, after a review of the accommodation needs of the various ministries in the government during the last year, a number are being studied for use in Ottawa and Hull. Announcements will probably be made within the next few months.

AIRPORTS

FUTURE OF LAND EXPROPRIATED FOR MIRABEL AIRPORT

Mr. Les Benjamin (Regina West): Madam Speaker, I have some questions for the Minister of Public Works. I hope the minister will read page 5322 of *Hansard* for December 4, 1980. At that time I asked the minister about some 79,000 acres of Mirabel peripheral lands. The minister could not make up his mind then, and said that the cabinet document that had been leaked was going before a committee of the government last December 12. The industrial plans and parks have proved to be a complete failure and, by admission of the government's own internal review, the land is deteriorating.

Several groups joined forces last week, including 400 farmers who want to continue farming. Is the government now willing to respond to those farmers and other residents and, is it prepared to return that land to these people? The farmers are prepared to pay the price they received for this land so they can regain their livelihood and the region can begin to rebuild its economy—

An hon. Member: Question, please.

Mr. Hnatyshyn: We only have until three o'clock, Les.

Madam Speaker: Order, please.

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, I am sure that with the research the hon. member has directed to this problem he will have seen that the government has set up a land corporation which is comprised of representatives who were suggested to us by various local organizations, including the local university. That corporation has been receiving submissions over the last few months, not only from farmers but from businesses, the local council, and all interested parties. A plan has been prepared and this will be presented to cabinet within the next two weeks.

REASONS FOR GOVERNMENT DELAY

Mr. Les Benjamin (Regina West): Madam Speaker, the minister still cannot make up his mind. His own report states that local residents have suffered significant losses due to destabilization of the area. Why will the government not take immediate action, especially when studies on the situation, signed by the minister, recommend that the land be returned? These studies were completed over a year ago, the farmers are willing to pay for the land, and community leaders in the area say the delay is having a damaging effect. What is the government waiting for? Why is it waiting for this commission headed by one Jean-Pierre Goyer?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, I would like the hon. gentleman to have his researcher get my answer to the question he asked me last year. My answer was to the effect that was because of its impact on the local community and our wishes, as a government, to be sensitive to the local needs and designs of that plan, that we

asked for that kind of advice. I direct the hon. member to the answer I made last year.

* * *

EXTERNAL AFFAIRS

DEPLOYMENT OF NUCLEAR MISSILES IN EUROPE

Mr. Douglas Roche (Edmonton South): Madam Speaker, my question is for the Secretary of State for External Affairs. Last week President Reagan made a speech that has been hailed as the most important speech of his presidency. In it he said that the United States would cancel plans to deploy new intermediate range nuclear missiles in Europe if the Soviet Union would dismantle comparable weapons trained on Europe. This initiative has been endorsed by NATO.

What action has the Canadian government taken to press the Soviet Union to respond with a positive, constructive proposal so that a favourable international climate can be established before arms negotiations begin next week in Geneva?

Hon. Mark MacGuigan (Secretary of State for External Affairs): Madam Speaker, the initiative which President Reagan announced last week in general terms had been discussed with the NATO allies. We were and are fully in support of it. I have said publicly that I hoped the Soviet Union will respond. But before we could take steps of any kind, the general response from the Soviet Union tended to be an unfavourable one. We are consulting with our NATO allies as to the best form of pressure or demarche which collectively we can take.

I know the hon. gentleman realizes that talks between the Soviet Union and the United States will be commencing very shortly in Geneva. I do not know how much likelihood there is that we could influence the Soviet Union before that time, but I can assure him that we will be considering that question fully.

REQUEST FOR ESTABLISHMENT OF PARLIAMENTARY SUB-COMMITTEE

Mr. Douglas Roche (Edmonton South): Madam Speaker, my supplementary question is also addressed to the Secretary of State for External Affairs. Will the Canadian government establish a parliamentary sub-committee on disarmament so that the views of the public and parliamentarians can be gathered on the arms race, a race which is now costing in excess of $500 billion a year, and so that recommendations be made to the government prior to the United Nations special session on disarmament next June?

Some hon. Members: Hear, hear!

Hon. Mark MacGuigan (Secretary of State for External Affairs): Madam Speaker, I would not recommend to my colleague, the government House leader, that we establish a special committee on disarmament. But I have offered to give the Standing Committee on External Affairs and National Defence an order of reference on this subject. As I understand it, they chose the reference on Latin America and the Caribbean last year over this one. Nevertheless my offer still stands, and I am prepared to do my best to persuade the House leader at any time to give a reference to the standing committee on the subject.

* * *

CORPORATE AFFAIRS

EXPORT FINANCE CORPORATION OF CANADA

Mr. Jesse P. Flis (Parkdale-High Park): Madam Speaker, my question is for the Minister of Consumer and Corporate Affairs. The Export Finance Corporation of Canada Ltd. was federally incorporated on June 4, 1959, under a special act of Parliament. Would the minister inform this House on the success or failure of this corporation in meeting its objectives in financing and facilitating exports and imports?

[*Translation*]

Hon. André Ouellet (Minister of Consumer and Corporate Affairs): Madam Speaker, of course it is not a simple matter to determine a corporation's ability or inability to achieve its objectives. As was mentioned by the hon. member this corporation was incorporated under a special act of Parliament, and therefore there is no legal or even political obligation that would allow us to make sure whether or not it is meeting its objectives successfully.

* * *

● (1500)

[*English*]

PETITION

MR. ROSE—PROPOSED INCREASE IN POSTAL RATES

Madam Speaker: I have the honour to inform the House that the Clerk of the House has laid upon the Table the one hundred and thirty-fourth report of the Clerk of Petitions stating that he has examined the petition presented by the hon. member for Mission-Port Moody (Mr. Rose) on Friday, November 20, 1981, and finds that it meets the requirements of the Standing Orders as to form.

* * *

POINTS OF ORDER

MISS JEWETT—DISARMAMENT—REPLY OF MINISTER DURING QUESTION PERIOD

Miss Pauline Jewett (New Westminster-Coquitlam): Madam Speaker, I rise on a point of order. I am sure the Secretary of State for External Affairs (Mr. MacGuigan) did not intend to mislead the House in his last answer, but in fact

he did. As a member of the steering committee of the Standing Committee on External Affairs and National Defence, let me say there was no request from the minister that we should look into the question of disarmament. Indeed, we could have had a subcommittee on disarmament at the same time and—

Madam Speaker: Order, please. That is not a point of order.

Hon. Mark MacGuigan (Secretary of State for External Affairs): Madam Speaker, I rise on the point of order. I want to inform the House that I communicated with the chairman of the Standing Committee on External Affairs and National Defence, I believe in writing, to offer him a reference on the subject of disarmament.

MR. PAPROSKI—GREY CUP GAME—REPLY OF MINISTER DURING QUESTION PERIOD

Hon. Steven E. Paproski (Edmonton North): Madam Speaker, my point of order refers to the answer the minister in charge of fitness and amateur sport gave to my colleague, the hon. member for St. Catharines (Mr. Reid). He intimated that we on this side of the House when we were in power had gone ahead and had a cocktail party or a bash—

Madam Speaker: Order, please. I am afraid that is not a point of order either.

* * *

PRIVILEGE

MR. OBERLE—TELEVISING OF HOUSE PROCEEDINGS—LACK OF TRANSLATION FACILITIES

Mr. F. Oberle (Prince George-Peace River): Madam Speaker, I have a brief question of privilege on a matter which affects your jurisdiction over the affairs of the House of Commons.

As you know, resulting from a decision by the House of Commons to telecast the proceedings in the House most cable companies throughout the country are carrying the question period and some of the debates live. Unfortunately it has not been decided that the official translation, which is available to us in the House in a very efficient manner, should be made available in the same way to the cable companies; in other words, the debates are not simultaneously translated as they are broadcast in both English and in French.

I know this is a matter of privilege to all hon. members and people throughout the country, and I am wondering if you, Madam Speaker, would undertake to arrange for the translation to be carried by all cable companies that subscribe to the service.

Madam Speaker: My impression is that all the deliberations of this House are simultaneously translated. However, if the hon. member knows of cases where that does not happen, I will be glad to look into it and I thank the hon. member for bringing this to my attention.

Mr. Oberle: Madam Speaker, even in the capital city Skyline Cablevision does not offer a translation with the service.

[*Translation*]

Hon. Yvon Pinard (President of the Privy Council): Madam Speaker, in his point of order, the hon. member who is leaving the chamber mentioned that Skyline Cablevision Ltd. does not broadcast the simultaneous translation of the proceedings of the House of Commons. As you know, in the City of Ottawa there are two cablevision companies who each have their own territory. In one part of Ottawa we do get the simultaneous translation and in the other the proceedings are broadcast as they take place on the floor of the House.

The hon. member has expressed an opinion. I beg to disagree with him, because for a francophone living, for instance in that part of Ottawa where Skyline Cablevision Ltd. rebroadcasts the proceedings, it is extremely annoying to have to listen to the English translation of what is said in French by the French-speaking members in this House. So I do not think it is a bad idea to have a few cable companies that merely rebroadcast the proceedings of the House in the language in which they actually take place, because otherwise, in the City of Ottawa, not a single francophone could watch the proceedings of the House of Commons in French, because there would always be either an English translation or the proceedings in English. So I feel the situation is quite satisfactory as it is now and that there is no cause for complaint.

Madam Speaker: In fact, one could say that the proceedings of the House of Commons can be heard in three languages: French, English and the language of the proceedings of the House of Commons. And I thought the hon. member was referring to that situation. I shall look into it, but I think there is something to be said for this.

ROUTINE PROCEEDINGS

[*Translation*]

PUBLIC ACCOUNTS

Ninth, tenth and eleventh reports of Standing Committee on Public Accounts—Mr. Clarke (Vancouver Quadra).

[*Editor's Note: For text of above reports, see today's Votes and Proceedings.*]

[*English*]

EXTERNAL AFFAIRS

TABLING OF INSTRUMENT RESPECTING DELIMITATION OF MARITIME BOUNDARY IN GULF OF MAINE

Hon. Mark MacGuigan (Secretary of State for External Affairs): Madam Speaker, I would like to table the instrument of ratification exchanged by the United States and Canadian governments concerning submission to binding dispute settlement the delimitation of the maritime boundary in the Gulf of Maine.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, the following questions will be answered today: 2,237, 2,246, 2,581, 3,058, 3,059, 3,255 and 3,263.

[*Text*]

POSITIONS IN PORT AUTHORITIES

Question No. 2,237—**Mr. Crosby:**

1. What offices or positions are included in the port authorities for the port of (a) Halifax (b) Montreal (c) Saint John and what is the level of compensation in each case?

2. In 1980, what amount was paid to the holder of an office in the port authorities for the port of (a) Halifax (b) Montreal (c) Saint John?

3. What is the level of compensation for 1981 and is this an increase from 1980?

Hon. Jean-Luc Pepin (Minister of Transport): The National Harbours Board advises as follows:

1. The following are the offices or positions included in the port authority for the port of: (a) Halifax: chairman, vice-chairman, and members; (b) Montreal: chairman, vice-chairman, and members; (c) Saint John: chairman, vice-chairman (1980), and members.

See also answer to 3 below.

2. (a) Halifax:

Chairman	none (He received $12,000 in his post as port chief executive officer)
Vice-chairman	$2,000 plus $200 per diem meeting fee
Members	$1,500 plus $200 per diem meeting fee

(b) Montreal:

Chairman	none (He received $15,000 in his post as port chief executive officer)
Vice-chairman	$3,500 plus $200 per diem meeting fee
Members	$3,000 plus $200 per diem meeting fee

(c) Saint John:

Chairman	$3,500 plus $200 per diem meeting fee
Vice-chairman	$2,000 plus $200 per diem meeting fee

Members	$1,500 plus $200 per diem meeting fee

N.B.: In Halifax and Montreal, the port chief executive officer also held the post of chairman. It is NHB policy that the compensation which is received as port chief executive officer includes the remuneration which would have been received if he/she was port authority chairman only.

3. The level of compensation in 1981 is the same as in 1980 (see 2 above). In Montreal, the chairman is no longer concurrently port chief executive officer, and therefore receives standard chairman's compensation of $5,000 plus $200 per diem meeting fee.

PORT AUTHORITY APPOINTMENTS

Question No. 2,246—**Mr. Crosby:**

1. What is the policy of the Department of Transport and the National Harbours Board with respect to appointments to port authorities in the port of (a) Montreal (b) Halifax (c) Saint John?

2. Does the policy ensure representation of organized labour and shippers and other users of the ports on the port authorities?

3. Who or which authority is responsible for the establishment of tariff rates and charges on cargo?

4. Do the port authorities for the port of (a) Montreal (b) Halifax (c) Saint John perform a function with respect to the establishment of tariff rates and charges applicable to cargo and traffic through the ports?

Hon. Jean-Luc Pepin (Minister of Transport): The National Harbours Board advises as follows:

1. The policy of the Minister of Transport with respect to appointments to port authorities in the ports of Montreal, Halifax and Saint John is to select and appoint, at pleasure for one calendar year, members who represent a broad cross-section of the business, shipping, industrial and labour sectors in the communities concerned.

2. See answer to part 1 above.

3. The National Harbours Board.

4. No.

MR. JEAN-NOËL TREMBLAY

Question No. 2,581—**Mr. Cossitt:**

Were public funds ever paid to Mr. Jean-Noël Tremblay by the Department of Supply and Services or by any other branch of government and, if so, for which positions and on what dates did he hold the positions?

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): I am informed by the Departments of Communications and Energy, Mines and Resources as follows: Mr. Jean-Noël Tremblay was awarded two contracts for consulting services: one for the period November 1, 1977 to June 30, 1978, $20,000; the other for the period July 1, 1978 to June 30, 1979, $19,166.59; the former contract was issued by the Department of Communications, the latter by the Department of Supply and Services for the Department of Communications.

See EMR's reply to question No. 5 tabled February 24, 1981.

Order Paper Questions

DVA—CLIENTS FOR HEALTH CARE TRIAL PERIODS

Question No. 3,058—**Mr. McKenzie:**

With reference to section 10.47 of the 1980 report of the Auditor General, has the Department of Veterans Affairs developed criteria for deciding which veteran clients should be selected for future health care trial periods?

Hon. W. Bennett Campbell (Minister of Veterans Affairs): The initial trial period of the proposed health care policy which took place between November, 1979 and the summer of 1980 was undertaken to enable the health care teams to gain experience in the process of the program while at the same time providing services to clients in need of support. During that period judgments as to who were in need were largely medical and were made on an individual basis. It is not envisaged at this time that further health care trial periods will be held.

HOME SUPPORT PROGRAMS

Question No. 3,059—**Mr. McKenzie:**

With reference to section 10.48 of the 1980 report of the Auditor General, was a federal-provincial agreement reached with respect to home support programs and (a) if so, what are the terms and on what date will it be implemented (b) if not, what attempts are currently being made to reach one?

Hon. W. Bennett Campbell (Minister of Veterans Affairs): The Auditor General's observations were based on a pilot project designed to test the operation of the aging veterans program. As a result of this testing, Veterans Affairs accepts the health care assessment of the province, and the doctor's report used by provincial authorities. There is, therefore, no requirement for federal-provincial agreements on this matter.

COST OF ORDER PAPER QUESTION

Question No. 3,255—**Mr. Cossitt:**

1. What is the cost to the taxpayer (a) if the government answers a question on the Order Paper within two weeks to a month (b) if questions remain on the Order Paper for periods of six months to five years?

2. For what reason does the government not answer all questions within approximately one month of their appearance on the Order Paper?

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): 1. The only additional cost would be the printing of the question on the Order Paper for as long as it remains unanswered.

2. Often the information requested in questions requires considerable research. When compiled, it must be translated into the other official language. The government admits that it is often difficult to persuade officials to deal with these matters in an expeditious manner when some hon. members quite clearly overload the system with questions seeking information readily available by telephone or letter.

CANADIAN PENSION COMMISSION STAFF CUTS

Question No. 3,263—**Mr. Howie:**

Did the Canadian Pension Commission order staff cuts in their district offices across Canada and, if so (a) for what reason is this action being taken at this time (b) will this action impair attempts to speed up consideration of veterans' claims with respect to disability pensions?

Hon. W. Bennett Campbell (Minister of Veterans Affairs): No. (a) Not applicable. (b) Not applicable.

[*English*]

Mr. Smith: Madam Speaker, I would ask that the remaining questions be allowed to stand.

Madam Speaker: The questions enumerated by the parliamentary secretary have been answered.

Mr. Cook: Madam Speaker, I rise in reference to the questions being answered. Question No. 2,347 was asked on April 3 of this year. The parliamentary secretary may be interested in knowing why the question was asked. There is a distinct possibility that the waterlot leases in Burrard Inlet are so unfair and so totally different from one waterlot to another that I can only presume that is the reason the question has not been answered. Could the parliamentary secretary please investigate and perhaps give me the answer?

Mr. Smith: I will take note of the hon. member's representation, Madam Speaker.

Madam Speaker: Shall the remaining questions stand?

Some hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

THE CONSTITUTION

RESOLUTION RESPECTING CONSTITUTION ACT, 1981

The House resumed from Friday, November 20, 1981, consideration of the motion of Mr. Chrétien:

THAT, WHEREAS in the past certain amendments to the Constitution of Canada have been made by the Parliament of the United Kingdom at the request and with the consent of Canada;

AND WHEREAS it is in accord with the status of Canada as an independent state that Canadians be able to amend their Constitution in Canada in all respects;

AND WHEREAS it is also desirable to provide in the Constitution of Canada for the recognition of certain fundamental rights and freedoms and to make other amendments to that Constitution;

A respectful address be presented to Her Majesty the Queen in the following words:

To the Queen's Most Excellent Majesty:
Most Gracious Sovereign:

We, Your Majesty's loyal subjects, the House of Commons of Canada in Parliament assembled, respectfully approach Your Majesty, requesting that you may graciously be pleased to cause to be laid before the Parliament of the United Kingdom a measure containing the recitals and clauses hereinafter set forth:

CONSIDÉRANT :
que le Parlement du Royaume-Uni a modifié à plusieurs reprises la Constitution du Canada à la demande et avec le consentement de celui-ci;

que, de par le statut d'État indépendant du Canada, il est légitime que les Canadiens aient tout pouvoir pour modifier leur Constitution au Canada;

qu'il est souhaitable d'inscrire dans la Constitution du Canada la reconnaissance de certains droits et libertés fondamentaux et d'y apporter d'autres modifications,

il est proposé que soit présentée respectueusement à Sa Majesté la Reine l'adresse dont la teneur suit :

A Sa Très Excellente Majesté la Reine,
Très Gracieuse Souveraine :

Nous, membres de la Chambre des communes du Canada réunis en Parlement, fidèles sujets de Votre Majesté, demandons respectueusement à Votre Très Gracieuse Majesté de bien vouloir faire déposer devant le Parlement du Royaume-Uni un projet de loi ainsi conçu :

ANNEXE A—SCHEDULE A

An Act to give effect to a request by the Senate and House of Commons of Canada

Loi donnant suite à une demande du Sénat et de la Chambre des communes du Canada

Whereas Canada has requested and consented to the enactment of an Act of the Parliament of the United Kingdom to give effect to the provisions hereinafter set forth and the Senate and the House of Commons of Canada in Parliament assembled have submitted an address to Her Majesty requesting that Her Majesty may graciously be pleased to cause a Bill to be laid before the Parliament of the United Kingdom for that purpose.

Sa Très Excellente Majesté la Reine, considérant :

qu'à la demande et avec le consentement du Canada, le Parlement du Royaume-Uni est invité à adopter une loi visant à donner effet aux dispositions énoncées ci-après et que le Sénat et la Chambre des communes du Canada réunis en Parlement ont présenté une adresse demandant à Sa Très Gracieuse Majesté de bien vouloir faire déposer devant le Parlement du Royaume-Uni un projet de loi à cette fin,

Be it therefore enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:

sur l'avis et du consentement des Lords spirituels et temporels et des Communes réunis en Parlement, et par l'autorité de celui-ci, édicte :

Constitution Act, 1981 enacted

1. The *Constitution Act, 1981* set out in Schedule B to this Act is hereby enacted for and shall have the force of law in Canada and shall come into force as provided in that Act.

1. La *Loi constitutionnelle de 1981*, énoncée à l'annexe B, est édictée pour le Canada et y a force de loi. Elle entre en vigueur conformément à ses dispositions.

Adoption de la *Loi constitutionnelle de 1981*

Termination of power to legislate for Canada

2. No Act of the Parliament of the United Kingdom passed after the *Constitution Act, 1981* comes into force shall extend to Canada as part of its law.

2. Les lois adoptées par le Parlement du Royaume-Uni après l'entrée en vigueur de la *Loi constitutionnelle de 1981* ne font pas partie du droit du Canada.

Cessation du pouvoir de légiférer pour le Canada

French version

3. So far as it is not contained in Schedule B, the French version of this Act is set out in Schedule A to this Act and has the same authority in Canada as the English version thereof.

3. La partie de la version française de la présente loi qui figure à l'annexe A a force de loi au Canada au même titre que la version anglaise correspondante.

Version française

Short title

4. This Act may be cited as the *Canada Act*.

4. Titre abrégé de la présente loi : *Loi sur le Canada*.

Titre abrégé

SCHEDULE B

CONSTITUTION ACT, 1981

PART I

CANADIAN CHARTER OF RIGHTS AND FREEDOMS

Whereas Canada is founded upon principles that recognize the supremacy of God and the rule of law:

Guarantee of Rights and Freedoms

Rights and freedoms in Canada

1. The *Canadian Charter of Rights and Freedoms* guarantees the rights and freedoms set out in it subject only to such reasonable limits prescribed by law as can be demonstrably justified in a free and democratic society.

Fundamental Freedoms

Fundamental freedoms

2. Everyone has the following fundamental freedoms:

(*a*) freedom of conscience and religion;

(*b*) freedom of thought, belief, opinion and expression, including freedom of the press and other media of communication;

(*c*) freedom of peaceful assembly; and

(*d*) freedom of association.

Democratic Rights

Democratic rights of citizens

3. Every citizen of Canada has the right to vote in an election of members of the House of Commons or of a legislative assembly and to be qualified for membership therein.

Maximum duration of legislative bodies

4. (1) No House of Commons and no legislative assembly shall continue for longer than five years from the date fixed for the return of the writs at a general election of its members.

Continuation in special circumstances

(2) In time of real or apprehended war, invasion or insurrection, a House of Commons may be continued by Parliament and a legislative assembly may be continued by the legislature beyond five years if such continuation is not opposed by the votes of more than one-third of the members of the House

ANNEXE B

LOI CONSTITUTIONNELLE DE 1981

PARTIE I

CHARTE CANADIENNE DES DROITS ET LIBERTÉS

Attendu que le Canada est fondé sur des principes qui reconnaissent la suprématie de Dieu et la primauté du droit :

Garantie des droits et libertés

Droits et libertés au Canada

1. La *Charte canadienne des droits et libertés* garantit les droits et libertés qui y sont énoncés. Ils ne peuvent être restreints que par une règle de droit, dans des limites qui soient raisonnables et dont la justification puisse se démontrer dans le cadre d'une société libre et démocratique.

Libertés fondamentales

Libertés fondamentales

2. Chacun a les libertés fondamentales suivantes :

a) liberté de conscience et de religion;

b) liberté de pensée, de croyance, d'opinion et d'expression, y compris la liberté de la presse et des autres moyens de communication;

c) liberté de réunion pacifique;

d) liberté d'association.

Droits démocratiques

Droits démocratiques des citoyens

3. Tout citoyen canadien a le droit de vote et est éligible aux élections législatives fédérales ou provinciales.

Mandat maximal des assemblées

4. (1) Le mandat maximal de la Chambre des communes et des assemblées législatives est de cinq ans à compter de la date fixée pour le retour des brefs relatifs aux élections générales correspondantes.

Prolongations spéciales

(2) Le mandat de la Chambre des communes ou celui d'une assemblée législative peut être prolongé respectivement par le Parlement ou par la législature en question au-delà de cinq ans en cas de guerre, d'invasion ou d'insurrection, réelles ou appréhendées, pourvu que cette prolongation ne fasse pas

of Commons or the legislative assembly, as the case may be.

l'objet d'une opposition exprimée par les voix de plus du tiers des députés de la Chambre des communes ou de l'assemblée législative.

Annual sitting of legislative bodies

5. There shall be a sitting of Parliament and of each legislature at least once every twelve months.

Séance annuelle

5. Le Parlement et les législatures tiennent une séance au moins une fois tous les douze mois.

Mobility Rights

Liberté de circulation et d'établissement

Mobility of citizens

6. (1) Every citizen of Canada has the right to enter, remain in and leave Canada.

Liberté de circulation

6. (1) Tout citoyen canadien a le droit de demeurer au Canada, d'y entrer ou d'en sortir.

Rights to move and gain livelihood

(2) Every citizen of Canada and every person who has the status of a permanent resident of Canada has the right

(*a*) to move to and take up residence in any province; and

(*b*) to pursue the gaining of a livelihood in any province.

Liberté d'établissement

(2) Tout citoyen canadien et toute personne ayant le statut de résident permanent au Canada ont le droit :

a) de se déplacer dans tout le pays et d'établir leur résidence dans toute province;

b) de gagner leur vie dans toute province.

Limitation

(3) The rights specified in subsection (2) are subject to

(*a*) any laws or practices of general application in force in a province other than those that discriminate among persons primarily on the basis of province of present or previous residence; and

(*b*) any laws providing for reasonable residency requirements as a qualification for the receipt of publicly provided social services.

Restriction

(3) Les droits mentionnés au paragraphe (2) sont subordonnés :

a) aux lois et usages d'application générale en vigueur dans une province donnée, s'ils n'établissent entre les personnes aucune distinction fondée principalement sur la province de résidence antérieure ou actuelle;

b) aux lois prévoyant de justes conditions de résidence en vue de l'obtention des services sociaux publics.

Affirmative action programs

(4) Subsections (2) and (3) do not preclude any law, program or activity that has as its object the amelioration in a province of conditions of individuals in that province who are socially or economically disadvantaged if the rate of employment in that province is below the rate of employment in Canada.

Programmes de promotion sociale

(4) Les paragraphes (2) et (3) n'ont pas pour objet d'interdire les lois, programmes ou activités destinés à améliorer, dans une province, la situation d'individus défavorisés socialement ou économiquement, si le taux d'emploi dans la province est inférieur à la moyenne nationale.

Legal Rights

Garanties juridiques

Life, liberty and security of person

7. Everyone has the right to life, liberty and security of the person and the right not to be deprived thereof except in accordance with the principles of fundamental justice.

Vie, liberté et sécurité

7. Chacun a droit à la vie, à la liberté et à la sécurité de sa personne; il ne peut être porté atteinte à ce droit qu'en conformité avec les principes de justice fondamentale.

Search or seizure

8. Everyone has the right to be secure against unreasonable search or seizure.

Fouilles, perquisitions ou saisies

8. Chacun a droit à la protection contre les fouilles, les perquisitions ou les saisies abusives.

Detention or imprisonment

9. Everyone has the right not to be arbitrarily detained or imprisoned.

Détention ou emprisonnement

9. Chacun a droit à la protection contre la détention ou l'emprisonnement arbitraires.

Arrest or detention

10. Everyone has the right on arrest or detention

(*a*) to be informed promptly of the reasons therefor;

(*b*) to retain and instruct counsel without delay and to be informed of that right; and

(*c*) to have the validity of the detention determined by way of *habeas corpus* and to be released if the detention is not lawful.

Arrestation ou détention

10. Chacun a le droit, en cas d'arrestation ou de détention :

a) d'être informé dans les plus brefs délais des motifs de son arrestation ou de sa détention;

b) d'avoir recours sans délai à l'assistance d'un avocat et d'être informé de ce droit;

c) de faire contrôler, par *habeas corpus*, la légalité de sa détention et d'obtenir, le cas échéant, sa libération.

Proceedings in criminal and penal matters

11. Any person charged with an offence has the right

(*a*) to be informed without unreasonable delay of the specific offence;

(*b*) to be tried within a reasonable time;

(*c*) not to be compelled to be a witness in proceedings against that person in respect of the offence;

(*d*) to be presumed innocent until proven guilty according to law in a fair and public hearing by an independent and impartial tribunal;

(*e*) not to be denied reasonable bail without just cause;

(*f*) except in the case of an offence under military law tried before a military tribunal, to the benefit of trial by jury where the maximum punishment for the offence is imprisonment for five years or a more severe punishment;

(*g*) not to be found guilty on account of any act or omission unless, at the time of the act or omission, it constituted an offence under Canadian or international law or was criminal according to the general principles of law recognized by the community of nations;

(*h*) if finally acquitted of the offence, not to be tried for it again and, if finally found guilty and punished for the offence, not to be tried or punished for it again; and

(*i*) if found guilty of the offence and if the punishment for the offence has been varied between the time of commission and the time of sentencing, to the benefit of the lesser punishment.

Affaires criminelles et pénales

11. Tout inculpé a le droit :

a) d'être informé sans délai anormal de l'infraction précise qu'on lui reproche;

b) d'être jugé dans un délai raisonnable;

c) de ne pas être contraint de témoigner contre lui-même dans toute poursuite intentée contre lui pour l'infraction qu'on lui reproche;

d) d'être présumé innocent tant qu'il n'est pas déclaré coupable, conformément à la loi, par un tribunal indépendant et impartial à l'issue d'un procès public et équitable;

e) de ne pas être privé sans juste cause d'une mise en liberté assortie d'un cautionnement raisonnable;

f) sauf s'il s'agit d'une infraction relevant de la justice militaire, de bénéficier d'un procès avec jury lorsque la peine maximale prévue pour l'infraction dont il est accusé est un emprisonnement de cinq ans ou une peine plus grave;

g) de ne pas être déclaré coupable en raison d'une action ou d'une omission qui, au moment où elle est survenue, ne constituait pas une infraction d'après le droit interne du Canada ou le droit international et n'avait pas de caractère criminel d'après les principes généraux de droit reconnus par l'ensemble des nations;

h) d'une part de ne pas être jugé de nouveau pour une infraction dont il a été définitivement acquitté, d'autre part de ne pas être jugé ni puni de nouveau pour une infraction dont il a été définitivement déclaré coupable et puni;

i) de bénéficier de la peine la moins sévère, lorsque la peine qui sanctionne l'infraction dont il est déclaré coupable est

modifiée entre le moment de la perpétration de l'infraction et celui de la sentence.

Treatment or punishment

12. Everyone has the right not to be subjected to any cruel and unusual treatment or punishment.

12. Chacun a droit à la protection contre tous traitements ou peines cruels et inusités. Cruauté

Self-crimination

13. A witness who testifies in any proceedings has the right not to have any incriminating evidence so given used to incriminate that witness in any other proceedings, except in a prosecution for perjury or for the giving of contradictory evidence.

13. Chacun a droit à ce qu'aucun témoignage incriminant qu'il donne ne soit utilisé pour l'incriminer dans d'autres procédures, sauf lors de poursuites pour parjure ou pour témoignages contradictoires. Témoignage incriminant

Interpreter

14. A party or witness in any proceedings who does not understand or speak the language in which the proceedings are conducted or who is deaf has the right to the assistance of an interpreter.

14. La partie ou le témoin qui ne peuvent suivre les procédures, soit parce qu'ils ne comprennent pas ou ne parlent pas la langue employée, soit parce qu'ils sont atteints de surdité, ont droit à l'assistance d'un interprète. Interprète

Equality Rights

Droits à l'égalité

Equality before and under law and equal protection and benefit of law

15. (1) Every individual is equal before and under the law and has the right to the equal protection and equal benefit of the law without discrimination and, in particular, without discrimination based on race, national or ethnic origin, colour, religion, sex, age or mental or physical disability.

15. (1) La loi ne fait acception de personne et s'applique également à tous, et tous ont droit à la même protection et au même bénéfice de la loi, indépendamment de toute discrimination, notamment des discriminations fondées sur la race, l'origine nationale ou ethnique, la couleur, la religion, le sexe, l'âge ou les déficiences mentales ou physiques. Égalité devant la loi, égalité de bénéfice et protection égale de la loi

Affirmative action programs

(2) Subsection (1) does not preclude any law, program or activity that has as its object the amelioration of conditions of disadvantaged individuals or groups including those that are disadvantaged because of race, national or ethnic origin, colour, religion, sex, age or mental or physical disability.

(2) Le paragraphe (1) n'a pas pour effet d'interdire les lois, programmes ou activités destinés à améliorer la situation d'individus ou de groupes défavorisés, notamment du fait de leur race, de leur origine nationale ou ethnique, de leur couleur, de leur religion, de leur sexe, de leur âge ou de leurs déficiences mentales ou physiques. Programmes de promotion sociale

Official Languages of Canada

Langues officielles du Canada

Official languages of Canada

16. (1) English and French are the official languages of Canada and have equality of status and equal rights and privileges as to their use in all institutions of the Parliament and government of Canada.

16. (1) Le français et l'anglais sont les langues officielles du Canada; ils ont un statut et des droits et privilèges égaux quant à leur usage dans les institutions du Parlement et du gouvernement du Canada. Langues officielles du Canada

Official languages of New Brunswick

(2) English and French are the official languages of New Brunswick and have equality of status and equal rights and privileges as to their use in all institutions of the

(2) Le français et l'anglais sont les langues officielles du Nouveau-Brunswick; ils ont un statut et des droits et privilèges égaux quant à leur usage dans les institutions de la Légis- Langues officielles du Nouveau-Brunswick

legislature and government of New Brunswick.

Advancement of status and use

(3) Nothing in this Charter limits the authority of Parliament or a legislature to advance the equality of status or use of English and French.

Proceedings of Parliament

17. (1) Everyone has the right to use English or French in any debates and other proceedings of Parliament.

Proceedings of New Brunswick legislature

(2) Everyone has the right to use English or French in any debates and other proceedings of the legislature of New Brunswick.

Parliamentary statutes and records

18. (1) The statutes, records and journals of Parliament shall be printed and published in English and French and both language versions are equally authoritative.

New Brunswick statutes and records

(2) The statutes, records and journals of the legislature of New Brunswick shall be printed and published in English and French and both language versions are equally authoritative.

Proceedings in courts established by Parliament

19. (1) Either English or French may be used by any person in, or in any pleading in or process issuing from, any court established by Parliament.

Proceedings in New Brunswick courts

(2) Either English or French may be used by any person in, or in any pleading in or process issuing from, any court of New Brunswick.

Communications by public with federal institutions

20. (1) Any member of the public in Canada has the right to communicate with, and to receive available services from, any head or central office of an institution of the Parliament or government of Canada in English or French, and has the same right with respect to any other office of any such institution where

(*a*) there is a significant demand for communications with and services from that office in such language; or

lature et du gouvernement du Nouveau-Brunswick.

Progression vers l'égalité

(3) La présente charte ne limite pas le pouvoir du Parlement et des législatures de favoriser la progression vers l'égalité de statut ou d'usage du français et de l'anglais.

Travaux du Parlement

17. (1) Chacun a le droit d'employer le français ou l'anglais dans les débats et travaux du Parlement.

Travaux de la Législature du Nouveau-Brunswick

(2) Chacun a le droit d'employer le français ou l'anglais dans les débats et travaux de la Législature du Nouveau-Brunswick.

Documents parlementaires

18. (1) Les lois, les archives, les comptes rendus et les procès-verbaux du Parlement sont imprimés et publiés en français et en anglais, les deux versions des lois ayant également force de loi et celles des autres documents ayant même valeur.

Documents de la Législature du Nouveau-Brunswick

(2) Les lois, les archives, les comptes rendus et les procès-verbaux de la Législature du Nouveau-Brunswick sont imprimés et publiés en français et en anglais, les deux versions des lois ayant également force de loi et celles des autres documents ayant même valeur.

Procédures devant les tribunaux établis par le Parlement

19. (1) Chacun a le droit d'employer le français ou l'anglais dans toutes les affaires dont sont saisis les tribunaux établis par le Parlement et dans tous les actes de procédure qui en découlent.

Procédures devant les tribunaux du Nouveau-Brunswick

(2) Chacun a le droit d'employer le français ou l'anglais dans toutes les affaires dont sont saisis les tribunaux du Nouveau-Brunswick et dans tous les actes de procédure qui en découlent.

Communications entre les administrés et les institutions fédérales

20. (1) Le public a, au Canada, droit à l'emploi du français ou de l'anglais pour communiquer avec le siège ou l'administration centrale des institutions du Parlement ou du gouvernement du Canada ou pour en recevoir les services; il a le même droit à l'égard de tout autre bureau de ces institutions là où, selon le cas :

a) l'emploi du français ou de l'anglais fait l'objet d'une demande importante;

b) l'emploi du français et de l'anglais se justifie par la vocation du bureau.

(*b*) due to the nature of the office, it is reasonable that communications with and services from that office be available in both English and French.

Communications by public with New Brunswick institutions

(2) Any member of the public in New Brunswick has the right to communicate with, and to receive available services from, any office of an institution of the legislature or government of New Brunswick in English or French.

(2) Le public a, au Nouveau-Brunswick, droit à l'emploi du français ou de l'anglais pour communiquer avec tout bureau des institutions de la législature ou du gouvernement ou pour en recevoir les services.

Communications entre les administrés et les institutions du Nouveau-Brunswick

Continuation of existing constitutional provisions

21. Nothing in sections 16 to 20 abrogates or derogates from any right, privilege or obligation with respect to the English and French languages, or either of them, that exists or is continued by virtue of any other provision of the Constitution of Canada.

21. Les articles 16 à 20 n'ont pas pour effet, en ce qui a trait à la langue française ou anglaise ou à ces deux langues, de porter atteinte aux droits, privilèges ou obligations qui existent ou sont maintenus aux termes d'une autre disposition de la Constitution du Canada.

Maintien en vigueur de certaines dispositions

Rights and privileges preserved

22. Nothing in sections 16 to 20 abrogates or derogates from any legal or customary right or privilege acquired or enjoyed either before or after the coming into force of this Charter with respect to any language that is not English or French.

22. Les articles 16 à 20 n'ont pas pour effet de porter atteinte aux droits et privilèges, antérieurs ou postérieurs à l'entrée en vigueur de la présente charte et découlant de la loi ou de la coutume, des langues autres que le français ou l'anglais.

Droits préservés

Minority Language Educational Rights

Droits à l'instruction dans la langue de la minorité

Language of instruction

23. (1) Citizens of Canada

(*a*) whose first language learned and still understood is that of the English or French linguistic minority population of the province in which they reside, or

(*b*) who have received their primary school instruction in Canada in English or French and reside in a province where the language in which they received that instruction is the language of the English or French linguistic minority population of the province,

have the right to have their children receive primary and secondary school instruction in that language in that province.

23. (1) Les citoyens canadiens :

a) dont la première langue apprise et encore comprise est celle de la minorité francophone ou anglophone de la province où ils résident,

b) qui ont reçu leur instruction, au niveau primaire, en français ou en anglais au Canada et qui résident dans une province où la langue dans laquelle ils ont reçu cette instruction est celle de la minorité francophone ou anglophone de la province,

ont, dans l'un ou l'autre cas, le droit d'y faire instruire leurs enfants, aux niveaux primaire et secondaire, dans cette langue.

Langue d'instruction

Continuity of language instruction

(2) Citizens of Canada of whom any child has received or is receiving primary or secondary school instruction in English or French in Canada, have the right to have all their children receive primary and secondary school instruction in the same language.

(2) Les citoyens canadiens dont un enfant a reçu ou reçoit son instruction, au niveau primaire ou secondaire, en français ou en anglais au Canada ont le droit de faire instruire tous leurs enfants, aux niveaux primaire et secondaire, dans la langue de cette instruction.

Continuité d'emploi de la langue d'instruction

Application where numbers warrant

(3) The right of citizens of Canada under subsections (1) and (2) to have their children receive primary and secondary school instruction in the language of the English or French linguistic minority population of a province

(*a*) applies wherever in the province the number of children of citizens who have such a right is sufficient to warrant the provision to them out of public funds of minority language instruction; and

(*b*) includes, where the number of those children so warrants, the right to have them receive that instruction in minority language educational facilities provided out of public funds.

Justification par le nombre

(3) Le droit reconnu aux citoyens canadiens par les paragraphes (1) et (2) de faire instruire leurs enfants, aux niveaux primaire et secondaire, dans la langue de la minorité francophone ou anglophone d'une province :

a) s'exerce partout dans la province où le nombre des enfants des citoyens qui ont ce droit est suffisant pour justifier à leur endroit la prestation, sur les fonds publics, de l'instruction dans la langue de la minorité;

b) comprend, lorsque le nombre de ces enfants le justifie, le droit de les faire instruire dans des établissements d'enseignement de la minorité linguistique financés sur les fonds publics.

Enforcement

Recours

Enforcement of guaranteed rights and freedoms

24. (1) Anyone whose rights or freedoms, as guaranteed by this Charter, have been infringed or denied may apply to a court of competent jurisdiction to obtain such remedy as the court considers appropriate and just in the circumstances.

Recours en cas d'atteinte aux droits et libertés

24. (1) Toute personne, victime de violation ou de négation des droits ou libertés qui lui sont garantis par la présente charte, peut s'adresser à un tribunal compétent pour obtenir la réparation que le tribunal estime convenable et juste eu égard aux circonstances.

Exclusion of evidence bringing administration of justice into disrepute

(2) Where, in proceedings under subsection (1), a court concludes that evidence was obtained in a manner that infringed or denied any rights or freedoms guaranteed by this Charter, the evidence shall be excluded if it is established that, having regard to all the circumstances, the admission of it in the proceedings would bring the administration of justice into disrepute.

Irrecevabilité d'éléments de preuve qui risqueraient de déconsidérer l'administration de la justice

(2) Lorsque, dans une instance visée au paragraphe (1), le tribunal a conclu que des éléments de preuve ont été obtenus dans des conditions qui portent atteinte aux droits ou libertés garantis par la présente charte, ces éléments de preuve sont écartés s'il est établi, eu égard aux circonstances, que leur utilisation est susceptible de déconsidérer l'administration de la justice.

General

Dispositions générales

Aboriginal rights and freedoms not affected by Charter

25. The guarantee in this Charter of certain rights and freedoms shall not be construed so as to abrogate or derogate from any aboriginal, treaty or other rights or freedoms that pertain to the aboriginal peoples of Canada including

(*a*) any rights or freedoms that have been recognized by the Royal Proclamation of October 7, 1763; and

(*b*) any rights or freedoms that may be acquired by the aboriginal peoples of Canada by way of land claims settlement.

Maintien des droits et libertés des autochtones

25. Le fait que la présente charte garantit certains droits et libertés ne porte pas atteinte aux droits ou libertés — ancestraux, issus de traités ou autres — des peuples autochtones du Canada, notamment :

a) aux droits ou libertés reconnus par la Proclamation royale du 7 octobre 1763;

b) aux droits ou libertés acquis par règlement de revendications territoriales.

Other rights and freedoms not affected by Charter

26. The guarantee in this Charter of certain rights and freedoms shall not be con-

Maintien des autres droits et libertés

26. Le fait que la présente charte garantit certains droits et libertés ne constitue pas

strued as denying the existence of any other rights or freedoms that exist in Canada.

une négation des autres droits ou libertés qui existent au Canada.

Multicultural heritage

27. This Charter shall be interpreted in a manner consistent with the preservation and enhancement of the multicultural heritage of Canadians.

27. Toute interprétation de la présente charte doit concorder avec l'objectif de promouvoir le maintien et la valorisation du patrimoine multiculturel des Canadiens.

Maintien du patrimoine culturel

Rights guaranteed equally to both sexes

28. Notwithstanding anything in this Charter except section 33, the rights and freedoms referred to in it are guaranteed equally to male and female persons.

28. Indépendamment des autres dispositions de la présente charte, exception faite de l'article 33, les droits et libertés qui y sont mentionnés sont garantis également aux personnes des deux sexes.

Égalité de garantie des droits pour les deux sexes

Rights respecting certain schools preserved

29. Nothing in this Charter abrogates or derogates from any rights or privileges guaranteed by or under the Constitution of Canada in respect of denominational, separate or dissentient schools.

29. Les dispositions de la présente charte ne portent pas atteinte aux droits ou privilèges garantis en vertu de la Constitution du Canada concernant les écoles séparées et autres écoles confessionnelles.

Maintien des droits relatifs à certaines écoles

Application to territories and territorial authorities

30. A reference in this Charter to a province or to the legislative assembly or legislature of a province shall be deemed to include a reference to the Yukon Territory and the Northwest Territories, or to the appropriate legislative authority thereof, as the case may be.

30. Dans la présente charte, les dispositions qui visent les provinces, leur législature ou leur assemblée législative visent également le territoire du Yukon, les territoires du Nord-Ouest ou leurs autorités législatives compétentes.

Application aux territoires

Legislative powers not extended

31. Nothing in this Charter extends the legislative powers of any body or authority.

31. La présente charte n'élargit pas les compétences législatives de quelque organisme ou autorité que ce soit.

Non-élargissement des compétences législatives

Application of Charter

Application de la charte

Application of Charter

32. (1) This Charter applies

(*a*) to the Parliament and government of Canada in respect of all matters within the authority of Parliament including all matters relating to the Yukon Territory and Northwest Territories; and

(*b*) to the legislature and government of each province in respect of all matters within the authority of the legislature of each province.

32. (1) La présente charte s'applique :

a) au Parlement et au gouvernement du Canada, pour tous les domaines relevant du Parlement, y compris ceux qui concernent le territoire du Yukon et les territoires du Nord-Ouest;

b) à la législature et au gouvernement de chaque province, pour tous les domaines relevant de cette législature.

Application de la charte

Exception

(2) Notwithstanding subsection (1), section 15 shall not have effect until three years after this section comes into force.

(2) Par dérogation au paragraphe (1), l'article 15 n'a d'effet que trois ans après l'entrée en vigueur du présent article.

Restriction

Exception where express declaration

33. (1) Parliament or the legislature of a province may expressly declare in an Act of Parliament or of the legislature, as the case may be, that the Act or a provision thereof shall operate notwithstanding a provision included in section 2 or sections 7 to 15 of

33. (1) Le Parlement ou la législature d'une province peut adopter une loi où il est expressément déclaré que celle-ci ou une de ses dispositions a effet indépendamment d'une disposition donnée de l'article 2 ou des articles 7 à 15 de la présente charte, ou de

Dérogation par déclaration expresse

this Charter, or section 28 of this Charter in its application to discrimination based on sex referred to in section 15.

l'article 28 de cette charte dans son application à la discrimination fondée sur le sexe et mentionnée à l'article 15.

Operation of exception

(2) An Act or a provision of an Act in respect of which a declaration made under this section is in effect shall have such operation as it would have but for the provision of this Charter referred to in the declaration.

(2) La loi ou la disposition qui fait l'objet d'une déclaration conforme au présent article et en vigueur a l'effet qu'elle aurait sauf la disposition en cause de la charte.

Effet de la dérogation

Five year limitation

(3) A declaration made under subsection (1) shall cease to have effect five years after it comes into force or on such earlier date as may be specified in the declaration.

(3) La déclaration visée au paragraphe (1) cesse d'avoir effet à la date qui y est précisée ou, au plus tard, cinq ans après son entrée en vigueur.

Durée de validité

Re-enactment

(4) Parliament or a legislature of a province may re-enact a declaration made under subsection (1).

(4) Le Parlement ou une législature peut adopter de nouveau une déclaration visée au paragraphe (1).

Nouvelle adoption

Five year limitation

(5) Subsection (3) applies in respect of a re-enactment made under subsection (4).

(5) Le paragraphe (3) s'applique à toute déclaration adoptée sous le régime du paragraphe (4).

Durée de validité

Citation

Titre

Citation

34. This Part may be cited as the *Canadian Charter of Rights and Freedoms*.

34. Titre de la présente partie : *Charte canadienne des droits et libertés*.

Titre

PART II

PARTIE II

EQUALIZATION AND REGIONAL DISPARITIES

PÉRÉQUATION ET INÉGALITÉS RÉGIONALES

Commitment to promote equal opportunities

35. (1) Without altering the legislative authority of Parliament or of the provincial legislatures, or the rights of any of them with respect to the exercise of their legislative authority, Parliament and the legislatures, together with the government of Canada and the provincial governments, are committed to

(*a*) promoting equal opportunities for the well-being of Canadians;

(*b*) furthering economic development to reduce disparity in opportunities; and

(*c*) providing essential public services of reasonable quality to all Canadians.

35. (1) Sous réserve des compétences législatives du Parlement et des législatures et de leur droit de les exercer, le Parlement et les législatures, ainsi que les gouvernements fédéral et provinciaux, s'engagent à :

a) promouvoir l'égalité des chances de tous les Canadiens dans la recherche de leur bien-être;

b) favoriser le développement économique pour réduire l'inégalité des chances;

c) fournir à tous les Canadiens, à un niveau de qualité acceptable, les services publics essentiels.

Engagements relatifs à l'égalité des chances

Commitment respecting public services

(2) Parliament and the government of Canada are committed to the principle of making equalization payments to ensure that provincial governments have sufficient revenues to provide reasonably comparable levels of public services at reasonably comparable levels of taxation.

(2) Le Parlement et le gouvernement du Canada prennent l'engagement de principe de faire des paiements de péréquation propres à donner aux gouvernements provinciaux des revenus suffisants pour les mettre en mesure d'assurer les services publics à un niveau de qualité et de fiscalité sensiblement comparables.

Engagement relatif aux services publics

PART III

CONSTITUTIONAL CONFERENCE

Constitutional conference

36. (1) A constitutional conference composed of the Prime Minister of Canada and the first ministers of the provinces shall be convened by the Prime Minister of Canada within one year after this Part comes into force.

Participation of aboriginal peoples

(2) The conference convened under subsection (1) shall have included in its agenda an item respecting constitutional matters that directly affect the aboriginal peoples of Canada, including the identification and definition of the rights of those peoples to be included in the Constitution of Canada, and the Prime Minister of Canada shall invite representatives of those peoples to participate in the discussions on that item.

Participation of territories

(3) The Prime Minister of Canada shall invite elected representatives of the governments of the Yukon Territory and the Northwest Territories to participate in the discussions on any item on the agenda of the conference convened under subsection (1) that, in the opinion of the Prime Minister, directly affects the Yukon Territory and the Northwest Territories.

PARTIE III

CONFÉRENCE CONSTITUTIONNELLE

Conférence constitutionnelle

36. (1) Dans l'année suivant l'entrée en vigueur de la présente partie, le premier ministre du Canada convoque une conférence constitutionnelle réunissant les premiers ministres provinciaux et lui-même.

Participation des peuples autochtones

(2) Sont placées à l'ordre du jour de la conférence visée au paragraphe (1) les questions constitutionnelles qui intéressent directement les peuples autochtones du Canada, notamment la détermination et la définition des droits de ces peuples à inscrire dans la Constitution du Canada. Le premier ministre du Canada invite leurs représentants à participer aux travaux relatifs à ces questions.

Participation des territoires

(3) Le premier ministre du Canada invite des représentants élus des gouvernements du territoire du Yukon et des territoires du Nord-Ouest à participer aux travaux relatifs à toute question placée à l'ordre du jour de la conférence visée au paragraphe (1) et qui, selon lui, intéresse directement le territoire du Yukon et les territoires du Nord-Ouest.

PART IV

PROCEDURE FOR AMENDING CONSTITUTION OF CANADA

General procedure for amending Constitution of Canada

37. (1) An amendment to the Constitution of Canada may be made by proclamation issued by the Governor General under the Great Seal of Canada where so authorized by

(*a*) resolutions of the Senate and House of Commons; and

(*b*) resolutions of the legislative assemblies of at least two-thirds of the provinces that have, in the aggregate, according to the then latest general census, at least fifty per cent of the population of all the provinces.

Majority of members

(2) An amendment made under subsection (1) that derogates from the legislative powers, the proprietary rights or any other rights or privileges of the legislature or gov-

PARTIE IV

PROCÉDURE DE MODIFICATION DE LA CONSTITUTION DU CANADA

Procédure normale de modification

37. (1) La Constitution du Canada peut être modifiée par proclamation du gouverneur général sous le grand sceau du Canada, autorisée à la fois :

a) par des résolutions du Sénat et de la Chambre des communes;

b) par des résolutions des assemblées législatives d'au moins deux tiers des provinces dont la population confondue représente, selon le recensement général le plus récent à l'époque, au moins cinquante pour cent de la population de toutes les provinces.

Majorité simple

(2) Une modification faite conformément au paragraphe (1) mais dérogatoire à la compétence législative, aux droits de propriété ou à tous autres droits ou privilèges

ernment of a province shall require a resolution supported by a majority of the members of each of the Senate, the House of Commons and the legislative assemblies required under subsection (1).

d'une législature ou d'un gouvernement provincial exige une résolution adoptée à la majorité des sénateurs, des députés fédéraux et des députés de chacune des assemblées législatives du nombre requis de provinces.

Expression of dissent

(3) An amendment referred to in subsection (2) shall not have effect in a province the legislative assembly of which has expressed its dissent thereto by resolution supported by a majority of its members prior to the issue of the proclamation to which the amendment relates unless that legislative assembly, subsequently, by resolution supported by a majority of its members, revokes its dissent and authorizes the amendment.

Désaccord

(3) La modification visée au paragraphe (2) est sans effet dans une province dont l'assemblée législative a, avant la prise de la proclamation, exprimé son désaccord par une résolution adoptée à la majorité des députés, sauf si cette assemblée, par résolution également adoptée à la majorité, revient sur son désaccord et autorise la modification.

Revocation of dissent

(4) A resolution of dissent made for the purposes of subsection (3) may be revoked at any time before or after the issue of the proclamation to which it relates.

Levée du désaccord

(4) La résolution de désaccord visée au paragraphe (3) peut être révoquée à tout moment, indépendamment de la date de la proclamation à laquelle elle se rapporte.

Restriction on proclamation

38. (1) A proclamation shall not be issued under subsection 37(1) before the expiration of one year from the adoption of the resolution initiating the amendment procedure thereunder, unless the legislative assembly of each province has previously adopted a resolution of assent or dissent.

Restriction

38. (1) La proclamation visée au paragraphe 37(1) ne peut être prise dans l'année suivant l'adoption de la résolution à l'origine de la procédure de modification que si l'assemblée législative de chaque province a préalablement adopté une résolution d'agrément ou de désaccord.

Idem

(2) A proclamation shall not be issued under subsection 37(1) after the expiration of three years from the adoption of the resolution initiating the amendment procedure thereunder.

Idem

(2) La proclamation visée au paragraphe 37(1) ne peut être prise que dans les trois ans suivant l'adoption de la résolution à l'origine de la procédure de modification.

Compensation

39. Where an amendment is made under subsection 37(1) that transfers provincial legislative powers relating to education or other cultural matters from provincial legislatures to Parliament, Canada shall provide reasonable compensation to any province to which the amendment does not apply.

Compensation

39. Le Canada fournit une juste compensation aux provinces auxquelles ne s'applique pas une modification faite conformément au paragraphe 37(1) et relative, en matière d'éducation ou dans d'autres domaines culturels, à un transfert de compétences législatives provinciales au Parlement.

Amendment by unanimous consent

40. An amendment to the Constitution of Canada in relation to the following matters may be made by proclamation issued by the Governor General under the Great Seal of Canada only where authorized by resolutions of the Senate and House of Commons and of the legislative assembly of each province:

(*a*) the office of the Queen, the Governor General and the Lieutenant Governor of a province;

Consentement unanime

40. Toute modification de la Constitution du Canada portant sur les questions suivantes se fait par proclamation du gouverneur général sous le grand sceau du Canada, autorisée par des résolutions du Sénat, de la Chambre des communes et de l'assemblée législative de chaque province :

a) la charge de Reine, celle de gouverneur général et celle de lieutenant-gouverneur;

(*b*) the right of a province to a number of members in the House of Commons not less than the number of Senators by which the province is entitled to be represented at the time this Part comes into force;

(*c*) subject to section 42, the use of the English or the French language;

(*d*) the composition of the Supreme Court of Canada; and

(*e*) an amendment to this Part.

b) le droit d'une province d'avoir à la Chambre des communes un nombre de députés au moins égal à celui des sénateurs par lesquels elle est habilitée à être représentée lors de l'entrée en vigueur de la présente partie;

c) sous réserve de l'article 42, l'usage du français ou de l'anglais;

d) la composition de la Cour suprême du Canada;

e) la modification de la présente partie.

Amendment by general procedure

41. (1) An amendment to the Constitution of Canada in relation to the following matters may be made only in accordance with subsection 37(1):

(*a*) the principle of proportionate representation of the provinces in the House of Commons prescribed by the Constitution of Canada;

(*b*) the powers of the Senate and the method of selecting Senators;

(*c*) the number of members by which a province is entitled to be represented in the Senate and the residence qualifications of Senators;

(*d*) subject to paragraph 40(*d*), the Supreme Court of Canada;

(*e*) the extension of existing provinces into the territories; and

(*f*) notwithstanding any other law or practice, the establishment of new provinces.

Procédure normale de modification

41. (1) Toute modification de la Constitution du Canada portant sur les questions suivantes se fait conformément au paragraphe 37(1) :

a) le principe de la représentation proportionnelle des provinces à la Chambre des communes prévu par la Constitution du Canada;

b) les pouvoirs du Sénat et le mode de sélection des sénateurs;

c) le nombre des sénateurs par lesquels une province est habilitée à être représentée et les conditions de résidence qu'ils doivent remplir;

d) sous réserve de l'alinéa 40*d*), la Cour suprême du Canada;

e) le rattachement aux provinces existantes de tout ou partie des territoires;

f) par dérogation à toute autre loi ou usage, la création de provinces.

Exception

(2) Subsections 37(2) to (4) do not apply in respect of amendments in relation to matters referred to in subsection (1).

Exception

(2) Les paragraphes 37(2) à (4) ne s'appliquent pas aux questions mentionnées au paragraphe (1).

Amendment of provisions relating to some but not all provinces

42. An amendment to the Constitution of Canada in relation to any provision that applies to one or more, but not all, provinces, including

(*a*) any alteration to boundaries between provinces, and

(*b*) any amendment to any provision that relates to the use of the English or the French language within a province,

may be made by proclamation issued by the Governor General under the Great Seal of Canada only where so authorized by resolutions of the Senate and House of Commons

Modification à l'égard de certaines provinces

42. Les dispositions de la Constitution du Canada applicables à certaines provinces seulement ne peuvent être modifiées que par proclamation du gouverneur général sous le grand sceau du Canada, autorisée par des résolutions du Sénat, de la Chambre des communes et de l'assemblée législative de chaque province concernée. Le présent article s'applique notamment :

a) aux changements du tracé des frontières interprovinciales;

b) aux modifications des dispositions relatives à l'usage du français ou de l'anglais dans une province.

and of the legislative assembly of each province to which the amendment applies.

Amendments by Parliament

43. Subject to sections 40 and 41, Parliament may exclusively make laws amending the Constitution of Canada in relation to the executive government of Canada or the Senate and House of Commons.

Modification par le Parlement

43. Sous réserve des articles 40 et 41, le Parlement a compétence exclusive pour modifier les dispositions de la Constitution du Canada relatives au pouvoir exécutif fédéral, au Sénat ou à la Chambre des communes.

Amendments by provincial legislatures

44. Subject to section 40, the legislature of each province may exclusively make laws amending the constitution of the province.

Modification par les législatures

44. Sous réserve de l'article 40, une législature a compétence exclusive pour modifier la constitution de sa province.

Initiation of amendment procedures

45. (1) The procedures for amendment under sections 37, 40, 41 and 42 may be initiated either by the Senate or the House of Commons or by the legislative assembly of a province.

Initiative des procédures

45. (1) L'initiative des procédures de modification visées aux articles 37, 40, 41 et 42 appartient au Sénat, à la Chambre des communes ou à une assemblée législative.

Revocation of authorization

(2) A resolution of assent made for the purposes of this Part may be revoked at any time before the issue of a proclamation authorized by it.

Possibilité de révocation

(2) Une résolution d'agrément adoptée dans le cadre de la présente partie peut être révoquée à tout moment avant la date de la proclamation qu'elle autorise.

Amendments without Senate resolution

46. (1) An amendment to the Constitution of Canada made by proclamation under section 37, 40, 41 or 42 may be made without a resolution of the Senate authorizing the issue of the proclamation if, within one hundred and eighty days after the adoption by the House of Commons of a resolution authorizing its issue, the Senate has not adopted such a resolution and if, at any time after the expiration of that period, the House of Commons again adopts the resolution.

Modification sans résolution du Sénat

46. (1) Dans les cas visés à l'article 37, 40, 41 ou 42, il peut être passé outre au défaut d'autorisation du Sénat si celui-ci n'a pas adopté de résolution dans un délai de cent quatre-vingts jours suivant l'adoption de celle de la Chambre des communes et si cette dernière, après l'expiration du délai, adopte une nouvelle résolution dans le même sens.

Computation of period

(2) Any period when Parliament is prorogued or dissolved shall not be counted in computing the one hundred and eighty day period referred to in subsection (1).

Computation du délai

(2) Dans la computation du délai visé au paragraphe (1), ne sont pas comptées les périodes pendant lesquelles le Parlement est prorogé ou dissous.

Advice to issue proclamation

47. The Queen's Privy Council for Canada shall advise the Governor General to issue a proclamation under this Part forthwith on the adoption of the resolutions required for an amendment made by proclamation under this Part.

Demande de proclamation

47. Le Conseil privé de la Reine pour le Canada demande au gouverneur général de prendre, conformément à la présente partie, une proclamation dès l'adoption des résolutions prévues par cette partie pour une modification par proclamation.

Constitutional conference

48. A constitutional conference composed of the Prime Minister of Canada and the first ministers of the provinces shall be convened by the Prime Minister of Canada within fifteen years after this Part comes into force to review the provisions of this Part.

Conférence constitutionnelle

48. Dans les quinze ans suivant l'entrée en vigueur de la présente partie, le premier ministre du Canada convoque une conférence constitutionnelle réunissant les premiers ministres provinciaux et lui-même, en vue du réexamen des dispositions de cette partie.

PART V

AMENDMENT TO THE CONSTITUTION ACT, 1867

Amendment to *Constitution Act, 1867*

49. The *Constitution Act, 1867* (formerly named the *British North America Act, 1867*) is amended by adding thereto, immediately after section 92 thereof, the following heading and section:

"Non-Renewable Natural Resources, Forestry Resources and Electrical Energy

Laws respecting non-renewable natural resources, forestry resources and electrical energy

92A. (1) In each province, the legislature may exclusively make laws in relation to

(*a*) exploration for non-renewable natural resources in the province;

(*b*) development, conservation and management of non-renewable natural resources and forestry resources in the province, including laws in relation to the rate of primary production therefrom; and

(*c*) development, conservation and management of sites and facilities in the province for the generation and production of electrical energy.

Export from provinces of resources

(2) In each province, the legislature may make laws in relation to the export from the province to another part of Canada of the primary production from non-renewable natural resources and forestry resources in the province and the production from facilities in the province for the generation of electrical energy, but such laws may not authorize or provide for discrimination in prices or in supplies exported to another part of Canada.

Authority of Parliament

(3) Nothing in subsection (2) derogates from the authority of Parliament to enact laws in relation to the matters referred to in that subsection and, where such a law of Parliament and a law of a province conflict, the law of Parliament prevails to the extent of the conflict.

PARTIE V

MODIFICATION DE LA LOI CONSTITUTIONNELLE DE 1867

Modification de la *Loi constitutionnelle de 1867*

49. La *Loi constitutionnelle de 1867* (antérieurement désignée sous le titre : *Acte de l'Amérique du Nord britannique, 1867*) est modifiée par insertion, après l'article 92, de la rubrique et de l'article suivants :

«Ressources naturelles non renouvelables, ressources forestières et énergie électrique

Compétence provinciale

92A. (1) La législature de chaque province a compétence exclusive pour légiférer dans les domaines suivants :

a) prospection des ressources naturelles non renouvelables de la province;

b) exploitation, conservation et gestion des ressources naturelles non renouvelables et des ressources forestières de la province, y compris leur rythme de production primaire;

c) aménagement, conservation et gestion des emplacements et des installations de la province destinés à la production d'énergie électrique.

Exportation hors des provinces

(2) La législature de chaque province a compétence pour légiférer en ce qui concerne l'exportation, hors de la province, à destination d'une autre partie du Canada, de la production primaire tirée des ressources naturelles non renouvelables et des ressources forestières de la province, ainsi que de la production d'énergie électrique de la province, sous réserve de ne pas adopter de lois autorisant ou prévoyant des disparités de prix ou des disparités dans les exportations destinées à une autre partie du Canada.

Pouvoir du Parlement

(3) Le paragraphe (2) ne porte pas atteinte au pouvoir du Parlement de légiférer dans les domaines visés à ce paragraphe, les dispositions d'une loi du Parlement adoptée dans ces domaines l'emportant sur les dispositions incompatibles d'une loi provinciale.

Taxation of resources

(4) In each province, the legislature may make laws in relation to the raising of money by any mode or system of taxation in respect of

(*a*) non-renewable natural resources and forestry resources in the province and the primary production therefrom, and

(*b*) sites and facilities in the province for the generation of electrical energy and the production therefrom,

whether or not such production is exported in whole or in part from the province, but such laws may not authorize or provide for taxation that differentiates between production exported to another part of Canada and production not exported from the province.

Taxation des ressources

(4) La législature de chaque province a compétence pour prélever des sommes d'argent par tout mode ou système de taxation :

a) des ressources naturelles non renouvelables et des ressources forestières de la province, ainsi que de la production primaire qui en est tirée;

b) des emplacements et des installations de la province destinés à la production d'énergie électrique, ainsi que de cette production même.

Cette compétence peut s'exercer indépendamment du fait que la production en cause soit ou non, en totalité ou en partie, exportée hors de la province, mais les lois adoptées dans ces domaines ne peuvent autoriser ou prévoir une taxation qui établisse une distinction entre la production exportée à destination d'une autre partie du Canada et la production non exportée hors de la province.

"Primary production"

(5) The expression "primary production" has the meaning assigned by the Sixth Schedule.

«Production primaire»

(5) L'expression «production primaire» a le sens qui lui est donné dans la sixième annexe.

Existing powers or rights

(6) Nothing in subsections (1) to (5) derogates from any powers or rights that a legislature or government of a province had immediately before the coming into force of this section."

Pouvoirs ou droits existants

(6) Les paragraphes (1) à (5) ne portent pas atteinte aux pouvoirs ou droits détenus par la législature ou le gouvernement d'une province lors de l'entrée en vigueur du présent article.»

Idem

50. The said Act is further amended by adding thereto the following Schedule:

Idem

50. Ladite loi est en outre modifiée par adjonction de l'annexe suivante :

"THE SIXTH SCHEDULE

Primary Production from Non-Renewable Natural Resources and Forestry Resources

1. For the purposes of section 92A of this Act,

(*a*) production from a non-renewable natural resource is primary production therefrom if

(i) it is in the form in which it exists upon its recovery or severance from its natural state, or

«SIXIÈME ANNEXE

Production primaire tirée des ressources naturelles non renouvelables et des ressources forestières

1. Pour l'application de l'article 92A :

a) on entend par production primaire tirée d'une ressource naturelle non renouvelable :

(i) soit le produit qui se présente sous la même forme que lors de son extraction du milieu naturel,

(ii) soit le produit non manufacturé de la transformation, du raffinage ou de

(ii) it is a product resulting from processing or refining the resource, and is not a manufactured product or a product resulting from refining crude oil, refining upgraded heavy crude oil, refining gases or liquids derived from coal or refining a synthetic equivalent of crude oil; and

(*b*) production from a forestry resource is primary production therefrom if it consists of sawlogs, poles, lumber, wood chips, sawdust or any other primary wood product, or wood pulp, and is not a product manufactured from wood."

l'affinage d'une ressource, à l'exception du produit du raffinage du pétrole brut, du raffinage du pétrole brut lourd amélioré, du raffinage des gaz ou des liquides dérivés du charbon ou du raffinage d'un équivalent synthétique du pétrole brut;

b) on entend par production primaire tirée d'une ressource forestière la production constituée de billots, de poteaux, de bois d'œuvre, de copeaux, de sciure ou d'autre produit primaire du bois, ou de pâte de bois, à l'exception d'un produit manufacturé en bois.»

PART VI

GENERAL

PARTIE VI

DISPOSITIONS GÉNÉRALES

Primacy of Constitution of Canada

51. (1) The Constitution of Canada is the supreme law of Canada, and any law that is inconsistent with the provisions of the Constitution is, to the extent of the inconsistency, of no force or effect.

51. (1) La Constitution du Canada est la loi suprême du Canada; elle rend inopérantes les dispositions incompatibles de toute autre règle de droit.

Primauté de la Constitution du Canada

Constitution of Canada

(2) The Constitution of Canada includes

(*a*) the *Canada Act*, including this Act;

(*b*) the Acts and orders referred to in Schedule I; and

(*c*) any amendment to any Act or order referred to in paragraph (*a*) or (*b*).

(2) La Constitution du Canada comprend :

a) la *Loi sur le Canada*, y compris la présente loi;

b) les textes législatifs et les décrets figurant à l'annexe I;

c) les modifications des textes législatifs et des décrets mentionnés aux alinéas *a*) ou *b*).

Constitution du Canada

Amendments to Constitution of Canada

(3) Amendments to the Constitution of Canada shall be made only in accordance with the authority contained in the Constitution of Canada.

(3) La Constitution du Canada ne peut être modifiée que conformément aux pouvoirs conférés par elle.

Modification

Repeals and new names

52. (1) The enactments referred to in Column I of Schedule I are hereby repealed or amended to the extent indicated in Column II thereof and, unless repealed, shall continue as law in Canada under the names set out in Column III thereof.

52. (1) Les textes législatifs et les décrets énumérés à la colonne I de l'annexe I sont abrogés ou modifiés dans la mesure indiquée à la colonne II. Sauf abrogation, ils restent en vigueur en tant que lois du Canada sous les titres mentionnés à la colonne III.

Abrogation et nouveaux titres

Consequential amendments

(2) Every enactment, except the *Canada Act*, that refers to an enactment referred to in Schedule I by the name in Column I thereof is hereby amended by substituting for that name the corresponding name in Column III thereof, and any British North America Act not referred to in Schedule I may be cited as the *Constitution Act* fol-

(2) Tout texte législatif ou réglementaire, sauf la *Loi sur le Canada,* qui fait mention d'un texte législatif ou décret figurant à l'annexe I par le titre indiqué à la colonne I est modifié par substitution à ce titre du titre correspondant mentionné à la colonne III; tout Acte de l'Amérique du Nord britannique non mentionné à l'annexe I peut être cité sous le titre de *Loi constitutionnelle* suivi de

Modifications corrélatives

lowed by the year and number, if any, of its enactment.

l'indication de l'année de son adoption et éventuellement de son numéro.

Repeal and consequential amendments

53. Part III is repealed on the day that is one year after this Part comes into force and this section may be repealed and this Act renumbered, consequential upon the repeal of Part III and this section, by proclamation issued by the Governor General under the Great Seal of Canada.

53. La partie III est abrogée un an après l'entrée en vigueur de la présente partie et le gouverneur général peut, par proclamation sous le grand sceau du Canada, abroger le présent article et apporter en conséquence de cette double abrogation les aménagements qui s'imposent à la présente loi.

Abrogation et modifications qui en découlent

French version of Constitution of Canada

54. A French version of the portions of the Constitution of Canada referred to in Schedule I shall be prepared by the Minister of Justice of Canada as expeditiously as possible and, when any portion thereof sufficient to warrant action being taken has been so prepared, it shall be put forward for enactment by proclamation issued by the Governor General under the Great Seal of Canada pursuant to the procedure then applicable to an amendment of the same provisions of the Constitution of Canada.

54. Le ministre de la Justice du Canada est chargé de rédiger, dans les meilleurs délais, la version française des parties de la Constitution du Canada qui figurent à l'annexe I; toute partie suffisamment importante est, dès qu'elle est prête, déposée pour adoption par proclamation du gouverneur général sous le grand sceau du Canada, conformément à la procédure applicable à l'époque à la modification des dispositions constitutionnelles qu'elle contient.

Version française de certains textes constitutionnels

English and French versions of certain constitutional texts

55. Where any portion of the Constitution of Canada has been or is enacted in English and French or where a French version of any portion of the Constitution is enacted pursuant to section 54, the English and French versions of that portion of the Constitution are equally authoritative.

55. Les versions française et anglaise des parties de la Constitution du Canada adoptées dans ces deux langues ont également force de loi. En outre, ont également force de loi, dès l'adoption, dans le cadre de l'article 54, d'une partie de la version française de la Constitution, cette partie et la version anglaise correspondante.

Versions française et anglaise de certains textes constitutionnels

English and French versions of this Act

56. The English and French versions of this Act are equally authoritative.

56. Les versions française et anglaise de la présente loi ont également force de loi.

Versions française et anglaise de la présente loi

Commencement

57. Subject to section 58, this Act shall come into force on a day to be fixed by proclamation issued by the Queen or the Governor General under the Great Seal of Canada.

57. Sous réserve de l'article 58, la présente loi entre en vigueur à la date fixée par proclamation de la Reine ou du gouverneur général sous le grand sceau du Canada.

Entrée en vigueur

Commencement of paragraph 23(1)(*a*) in respect of Quebec

58. (1) Paragraph 23(1)(*a*) shall come into force in respect of Quebec on a day to be fixed by proclamation issued by the Queen or the Governor General under the Great Seal of Canada.

58. (1) L'alinéa 23(1)*a*) entre en vigueur pour le Québec à la date fixée par proclamation de la Reine ou du gouverneur général sous le grand sceau du Canada.

Entrée en vigueur de l'alinéa 23(1)*a*) pour le Québec

Authorization of Quebec

(2) A proclamation under subsection (1) shall be issued only where authorized by the legislative assembly or government of Quebec.

(2) La proclamation visée au paragraphe (1) ne peut être prise qu'après autorisation de l'assemblée législative ou du gouvernement du Québec.

Autorisation du Québec

Repeal of this section

(3) This section may be repealed on the day paragraph 23(1)(*a*) comes into force in respect of Quebec and this Act amended and renumbered, consequential upon the repeal of this section, by proclamation issued by the Queen or the Governor General under the Great Seal of Canada.

Abrogation du présent article

(3) Le présent article peut être abrogé à la date d'entrée en vigueur de l'alinéa 23(1)*a*) pour le Québec, et la présente loi faire l'objet, dès cette abrogation, des modifications et changements de numérotation qui en découlent, par proclamation de la Reine ou du gouverneur général sous le grand sceau du Canada.

Short title and citations

59. This Act may be cited as the *Constitution Act, 1981*, and the Constitution Acts 1867 to 1975 (No. 2) and this Act may be cited together as the *Constitution Acts, 1867 to 1981*.

Titres

59. Titre abrégé de la présente annexe : *Loi constitutionnelle de 1981*; titre commun des lois constitutionnelles de 1867 à 1975 (nº 2) et de la présente loi : *Lois constitutionnelles de 1867 à 1981*.

SCHEDULE I

to the

CONSTITUTION ACT, 1981

MODERNIZATION OF THE CONSTITUTION

Item	Column I Act Affected	Column II Amendment	Column III New Name
1.	British North America Act, 1867, 30-31 Vict., c. 3 (U.K.)	(1) Section 1 is repealed and the following substituted therefor: "1. This Act may be cited as the *Constitution Act, 1867*." (2) Section 20 is repealed. (3) Class 1 of section 91 is repealed. (4) Class 1 of section 92 is repealed.	Constitution Act, 1867
2.	An Act to amend and continue the Act 32-33 Victoria chapter 3; and to establish and provide for the Government of the Province of Manitoba, 1870, 33 Vict., c. 3 (Can.)	(1) The long title is repealed and the following substituted therefor: "*Manitoba Act, 1870*." (2) Section 20 is repealed.	Manitoba Act, 1870
3.	Order of Her Majesty in Council admitting Rupert's Land and the North-Western Territory into the union, dated the 23rd day of June, 1870		Rupert's Land and North-Western Territory Order
4.	Order of Her Majesty in Council admitting British Columbia into the Union, dated the 16th day of May, 1871		British Columbia Terms of Union
5.	British North America Act, 1871, 34-35 Vict., c. 28 (U.K.)	Section 1 is repealed and the following substituted therefor: "1. This Act may be cited as the *Constitution Act, 1871*."	Constitution Act, 1871
6.	Order of Her Majesty in Council admitting Prince Edward Island into the Union, dated the 26th day of June, 1873		Prince Edward Island Terms of Union
7.	Parliament of Canada Act, 1875, 38-39 Vict., c. 38 (U.K.)		Parliament of Canada Act, 1875
8.	Order of Her Majesty in Council admitting all British possessions and Territories in North America and islands adjacent thereto into the Union, dated the 31st day of July, 1880		Adjacent Territories Order

ANNEXE I

LOI CONSTITUTIONNELLE DE 1981

ACTUALISATION DE LA CONSTITUTION

	Colonne I Loi visée	Colonne II Modification	Colonne III Nouveau titre
1.	Acte de l'Amérique du Nord britannique, 1867, 30-31 Vict., c. 3 (R.-U.)	(1) L'article 1 est abrogé et remplacé par ce qui suit : «1. Titre abrégé : *Loi constitutionnelle de 1867*.» (2) L'article 20 est abrogé. (3) La catégorie 1 de l'article 91 est abrogée. (4) La catégorie 1 de l'article 92 est abrogée.	Loi constitutionnelle de 1867
2.	Acte pour amender et continuer l'acte trente-deux et trente-trois Victoria, chapitre trois, et pour établir et constituer le gouvernement de la province de Manitoba, 1870, 33 Vict., c. 3 (Canada)	(1) Le titre complet est abrogé et remplacé par ce qui suit : «*Loi de 1870 sur le Manitoba*.» (2) L'article 20 est abrogé.	Loi de 1870 sur le Manitoba
3.	Arrêté en conseil de Sa Majesté admettant la Terre de Rupert et le Territoire du Nord-Ouest, en date du 23 juin 1870		Décret en conseil sur la terre de Rupert et le territoire du Nord-Ouest
4.	Arrêté en conseil de Sa Majesté admettant la Colombie-Britannique, en date du 16 mai 1871		Conditions de l'adhésion de la Colombie-Britannique
5.	Acte de l'Amérique du Nord britannique, 1871, 34-35 Vict., c. 28 (R.-U.)	L'article 1 est abrogé et remplacé par ce qui suit : «1. Titre abrégé : *Loi constitutionnelle de 1871*.»	Loi constitutionnelle de 1871
6.	Arrêté en conseil de Sa Majesté admettant l'Île-du-Prince-Édouard, en date du 26 juin 1873		Conditions de l'adhésion de l'Île-du-Prince-Édouard
7.	Acte du Parlement du Canada, 1875, 38-39 Vict., c. 38 (R.-U.)		Loi de 1875 sur le Parlement du Canada
8.	Arrêté en conseil de Sa Majesté admettant dans l'Union tous les territoires et possessions britanniques dans l'Amérique du Nord, et les îles adjacentes à ces territoires et possessions, en date du 31 juillet 1880		Décret en conseil sur les territoires adjacents

SCHEDULE I

to the

CONSTITUTION ACT, 1981—*Continued*

Item	Column I Act Affected	Column II Amendment	Column III New Name
9.	British North America Act, 1886, 49-50 Vict., c. 35 (U.K.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Constitution Act, 1886*."	Constitution Act, 1886
10.	Canada (Ontario Boundary) Act, 1889, 52-53 Vict., c. 28 (U.K.)		Canada (Ontario Boundary) Act, 1889
11.	Canadian Speaker (Appointment of Deputy) Act, 1895, 2nd Sess., 59 Vict., c. 3 (U.K.)	The Act is repealed.	
12.	The Alberta Act, 1905, 4-5 Edw. VII, c. 3 (Can.)		Alberta Act
13.	The Saskatchewan Act, 1905, 4-5 Edw. VII, c. 42 (Can.)		Saskatchewan Act
14.	British North America Act, 1907, 7 Edw. VII, c. 11 (U.K.)	Section 2 is repealed and the following substituted therefor: "2. This Act may be cited as the *Constitution Act, 1907*."	Constitution Act, 1907
15.	British North America Act, 1915, 5-6 Geo. V, c. 45 (U.K.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Constitution Act, 1915*."	Constitution Act, 1915
16.	British North America Act, 1930, 20-21 Geo. V, c. 26 (U.K.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Constitution Act, 1930*."	Constitution Act, 1930
17.	Statute of Westminster, 1931, 22 Geo. V, c. 4 (U.K.)	In so far as they apply to Canada, (*a*) section 4 is repealed; and (*b*) subsection 7(1) is repealed.	Statute of Westminster, 1931
18.	British North America Act, 1940, 3-4 Geo. VI, c. 36 (U.K.)	Section 2 is repealed and the following substituted therefor: "2. This Act may be cited as the *Constitution Act, 1940*."	Constitution Act, 1940
19.	British North America Act, 1943, 6-7 Geo. VI, c. 30 (U.K.)	The Act is repealed.	

ANNEXE I (*suite*)

LOI CONSTITUTIONNELLE DE 1981

	Colonne I Loi visée	Colonne II Modification	Colonne III Nouveau titre
9.	Acte de l'Amérique du Nord britannique, 1886, 49-50 Vict., c. 35 (R.-U.)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi constitutionnelle de 1886*.»	Loi constitutionnelle de 1886
10.	Acte du Canada (limites d'Ontario) 1889, 52-53 Vict., c. 28 (R.-U.)		Loi de 1889 sur le Canada (frontières de l'Ontario)
11.	Acte concernant l'Orateur canadien (nomination d'un suppléant) 1895, 2e session, 59 Vict., c. 3 (R.-U.)	La loi est abrogée.	
12.	Acte de l'Alberta, 1905, 4-5 Ed. VII, c. 3 (Canada)		Loi sur l'Alberta
13.	Acte de la Saskatchewan, 1905, 4-5 Ed. VII, c. 42 (Canada)		Loi sur la Saskatchewan
14.	Acte de l'Amérique du Nord britannique, 1907, 7 Ed. VII, c. 11 (R.-U.)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé : *Loi constitutionnelle de 1907*.»	Loi constitutionnelle de 1907
15.	Acte de l'Amérique du Nord britannique, 1915, 5-6 Geo. V, c. 45 (R.-U.)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi constitutionnelle de 1915*.»	Loi constitutionnelle de 1915
16.	Acte de l'Amérique du Nord britannique, 1930, 20-21 Geo. V, c. 26 (R.-U.)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi constitutionnelle de 1930*.»	Loi constitutionnelle de 1930
17.	Statut de Westminster, 1931, 22 Geo. V, c. 4 (R.-U.)	Dans la mesure où ils s'appliquent au Canada : *a*) l'article 4 est abrogé; *b*) le paragraphe 7(1) est abrogé.	Statut de Westminster de 1931
18.	Acte de l'Amérique du Nord britannique, 1940, 3-4 Geo. VI, c. 36 (R.-U.)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé : *Loi constitutionnelle de 1940*.»	Loi constitutionnelle de 1940
19.	Acte de l'Amérique du Nord britannique, 1943, 6-7 Geo. VI, c. 30 (R.-U.)	La loi est abrogée.	

SCHEDULE I

to the

CONSTITUTION ACT, 1981—*Continued*

Item	Column I Act Affected	Column II Amendment	Column III New Name
20.	British North America Act, 1946, 9-10 Geo. VI, c. 63 (U.K.)	The Act is repealed.	
21.	British North America Act, 1949, 12-13 Geo. VI, c. 22 (U.K.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Newfoundland Act*."	Newfoundland Act
22.	British North America (No. 2) Act, 1949, 13 Geo. VI, c. 81 (U.K.)	The Act is repealed.	
23.	British North America Act, 1951, 14-15 Geo. VI, c. 32 (U.K.)	The Act is repealed.	
24.	British North America Act, 1952, 1 Eliz. II, c. 15 (Can.)	The Act is repealed.	
25.	British North America Act, 1960, 9 Eliz. II, c. 2 (U.K.)	Section 2 is repealed and the following substituted therefor: "2. This Act may be cited as the *Constitution Act, 1960*."	Constitution Act, 1960
26.	British North America Act, 1964, 12-13 Eliz. II, c. 73 (U.K.)	Section 2 is repealed and the following substituted therefor: "2. This Act may be cited as the *Constitution Act, 1964*."	Constitution Act, 1964
27.	British North America Act, 1965, 14 Eliz. II, c. 4, Part I (Can.)	Section 2 is repealed and the following substituted therefor: "2. This Part may be cited as the *Constitution Act, 1965*."	Constitution Act, 1965
28.	British North America Act, 1974, 23 Eliz. II, c. 13, Part I (Can.)	Section 3, as amended by 25-26 Eliz. II, c. 28, s. 38(1) (Can.) is repealed and the following substituted therefor: "3. This Part may be cited as the *Constitution Act, 1974*."	Constitution Act, 1974

ANNEXE I (*suite*)

LOI CONSTITUTIONNELLE DE 1981

	Colonne I Loi visée	Colonne II Modification	Colonne III Nouveau titre
20.	Acte de l'Amérique du Nord britannique, 1946, 9-10 Geo. VI, c. 63 (R.-U.)	La loi est abrogée.	
21.	Acte de l'Amérique du Nord britannique, 1949, 12-13 Geo. VI, c. 22 (R.-U.)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi sur Terre-Neuve.*»	Loi sur Terre-Neuve
22.	Acte de l'Amérique du Nord britannique (N° 2), 1949, 13 Geo. VI, c. 81 (R.-U.)	La loi est abrogée.	
23.	Acte de l'Amérique du Nord britannique, 1951, 14-15 Geo. VI, c. 32 (R.-U.)	La loi est abrogée.	
24.	Acte de l'Amérique du Nord britannique, 1952, 1 Eliz. II, c. 15 (Canada)	La loi est abrogée.	
25.	Acte de l'Amérique du Nord britannique, 1960, 9 Eliz. II, c. 2 (R.-U.)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé : *Loi constitutionnelle de 1960.*»	Loi constitutionnelle de 1960
26.	Acte de l'Amérique du Nord britannique, 1964, 12-13 Eliz. II, c. 73 (R.-U.)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé : *Loi constitutionnelle de 1964.*»	Loi constitutionnelle de 1964
27.	Acte de l'Amérique du Nord britannique, 1965, 14 Eliz. II, c. 4, Partie I (Canada)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé de la présente partie : *Loi constitutionnelle de 1965.*»	Loi constitutionnelle de 1965
28.	Acte de l'Amérique du Nord britannique, 1974, 23 Eliz. II, c. 13, Partie I (Canada)	L'article 3, modifié par le paragraphe 38(1) de la loi 25-26 Elizabeth II, c. 28 (Canada), est abrogé et remplacé par ce qui suit : «3. Titre abrégé de la présente partie : *Loi constitutionnelle de 1974.*»	Loi constitutionnelle de 1974

SCHEDULE I

to the

CONSTITUTION ACT, 1981—*Concluded*

Item	Column I Act Affected	Column II Amendment	Column III New Name
29.	British North America Act, 1975, 23-24 Eliz. II, c. 28, Part I (Can.)	Section 3, as amended by 25-26 Eliz. II, c. 28, s. 31 (Can.) is repealed and the following substituted therefor: "3. This Part may be cited as the *Constitution Act (No. 1), 1975*."	Constitution Act (No. 1), 1975
30.	British North America Act (No. 2), 1975, 23-24 Eliz. II, c. 53 (Can.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Constitution Act (No. 2), 1975*."	Constitution Act (No. 2), 1975

ANNEXE I (*fin*)

LOI CONSTITUTIONNELLE DE 1981

	Colonne I Loi visée	Colonne II Modification	Colonne III Nouveau titre
29.	Acte de l'Amérique du Nord britannique, 1975, 23-24 Eliz. II, c. 28, Partie I (Canada)	L'article 3, modifié par l'article 31 de la loi 25-26 Elizabeth II, c. 28 (Canada), est abrogé et remplacé par ce qui suit : «3. Titre abrégé de la présente partie : *Loi constitutionnelle nº 1 de 1975.*»	Loi constitutionnelle nº 1 de 1975
30.	Acte de l'Amérique du Nord britannique nº 2, 1975, 23-24 Eliz. II, c. 53 (Canada)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi constitutionnelle nº 2 de 1975.*»	Loi constitutionnelle nº 2 de 1975

Madam Speaker: Just before we proceed, I want to tell the House that I have examined the amendment proposed by the right hon. member for Yellowhead (Mr. Clark), seconded by the hon. member for Kingston and the Islands (Miss MacDonald), and I find it to be in order. I am prepared to read it to the House.

An hon. Member: Dispense.

Madam Speaker: Shall I dispense?

Some hon. Members: No.

Madam Speaker: The right hon. member for Yellowhead, seconded by the hon. member for Kingston and the Islands, moves:

Rights guaranteed equally to both sexes

28. Notwithstanding anything in this charter, the rights and freedoms referred to in it are guaranteed equally to male and female persons.

(*b*) by striking out subclause 33(1), and substituting the following:

Exception where express declaration

33. (1) Parliament or the legislature of a province may expressly declare in an Act of Parliament or of the legislature, as the case may be, that the Act or a provision thereof shall operate notwithstanding a provision included in section 2 or sections 7 to 15 of this Charter.

● (1510)

Mr. John Bosley (Don Valley West): Mr. Speaker, when we broke off debate on Friday I had indicated that I was happy to read into the record a telex from the Premier of Ontario with regard to that province's view of Section 28 and the protection in the charter for the treaty rights of our native people. It is amazing, sometimes, what happens over a weekend. In a way, I am rather happy to have had the break in the middle of my speech since I am equally proud to put into the record today what the attorney general of Ontario had to say over the weekend about Section 28. It has now been admitted by the attorney general of Ontario and the Premier of New Brunswick that the resolution before this House to make Section 28 subject to the override provisions was never discussed prior to the creation of the resolution and its introduction in this House. It was not on the table, and now that it is public I hope it will allow us to discuss it at length, as we proceed in this debate on that issue, precisely because of the importance that has been attached by members opposite, including the Prime Minister (Mr. Trudeau) and Minister of Justice (Mr. Chrétien), to the need to preserve the accord without amendment.

Aside from the fact that there are a number of amendments in the resolution that are, in fact, outside of what was discussed leading up to the November 5 accord, it is now becoming more clear that the amendment to Section 28, which is being used as a block by members opposite to the amendment which my leader has moved, was in fact also brought in after the accord was drawn. As this becomes more clear, I hope we will recognize the simple justice that returning to Section 28 will bring.

Before I continue my remarks which I started last week, I might also indicate my sadness, after listening to my Prime Minister—and I say that advisedly and only as a citizen—returning to the shotgun diplomacy style. I think most members of this House realize that in the middle of some very complex behind-the-scenes negotiations to try to bring everybody onside concerning the amendment to Section 28, as well as amendments to the rest of the charter which my leader has proposed, including what will become clearer—if it is not now public—about conversations with several people in the province of Quebec, that it is frustrating, using that word advisedly, to come back to this house in Ottawa to hear the Prime Minister indicate that as long as the amendment is decided on by tomorrow night, it is all right. That is another guillotine, Mr. Speaker.

At this point in the debate, it is worth reminding ourselves that it was this same Prime Minister who wished to impose this same guillotine and tried to impose it last year. It is the same Prime Minister who tries to impose this guillotine on these clauses who did not include these rights in the original document presented to the House of Commons. It is the same Prime Minister who fought the committee which tried to put these rights in. The Prime Minister is now arguing that these rights are not there because of the premiers whom he did not want to meet with in the first place.

It surely should be clear by now that the reasons for the amendments in the resolution relating to aboriginal rights, treaty rights and to women's rights are that they were taken out, apparently, in the meetings. It takes two to agree. Therefore, all attempts to portray the Premiers as the villains I hope will be rejected by the general public, because it took the Prime Minister of Canada to agree to remove those rights in order for the accord to get to this House of Commons. Let us not forget that.

As we continue this debate, which as I indicated I hope will not be unnecessarily long, I would like to make some general comments and then return to the specific matter of our amendments. I should also point out in that respect that as a

Canadian, I believe that any discussions this week which will help improve this charter can only be regarded as helpful by all of us in this House. I would like it to be clear on the record that if it requires more time in the back room to sort these problems out, I do not believe there is one member on this side of the House who is not prepared to see the debate lifted out of this House so we can continue with the budget. I would like to make that very clear at this time.

There will be an attempt made by some to argue that, because some of us are trying to improve the charter, we regard the resolution and its improvement as the priority of the Conservative Party. The priority of Canadians today is to get people back to work. In this country, the right to a job is equally important as the right to equality. If it is necessary for us to break off this debate so we may conclude the budget debate, which was the position put forward by our House leader last week, and since we have had no finality yet as to when we would be able to conclude the budget which we would like to see concluded as soon as possible, I am sure members on this side would not only support that but would regard concluding our economic package as very important.

I would like to refute a current view about what we have been through in the last year to 15 months. I think that just as important as to note the issues that our party is moving amendments on—which I will come to later—in that now that we have all had the direct experience of the difficulties of constitution-writing in our diverse federal state, this experience should give us cause to marvel at and be grateful for the sagacity and capacity of the fathers of our nationhood who more than 100 years ago had the ability to craft what until now has been the backbone of our written Constitution, the BNA Act.

Now that we may be so close to a totally made-in-Canada Constitution, it seems fitting to note that those who hold to the view that for all those years we have been fundamentally flawed, that we have been somehow eunuched as a nation, are wrong. It is precisely because of the wisdom of our forefathers that the exact opposite is true. Because of that wisdom, we have had a package of laws, conventions and co-operation which has allowed us to live together as well as we have while we have sought a consensus on how to take the next step, a consensus which reflects our essence as a federation, a consensus which in itself contains the way to amend our constitutional package in future in line with the reality and spirit of our federalism.

Some have argued that federalism could not work, that more meetings last year would not help to resolve the impasse, and that we could not wait any longer and our nationhood demanded severe unilateral action. When our party undertook to fight such radical unilateralism, a fight initiated by a decision which took guts and courage and a commitment to principle by the leader of our party, a decision in keeping with the traditional Canadian way of doing things—and I hope more Canadians will come to see these qualities as the highest qualification for the highest office in this land—there were some, notably those who think the world can best be governed through a newspaper column rather than through the melee of politics, who thought we must either be kidding or that we were crazy, that we were suicidal or bent on self-destruction.

Time and the Supreme Court have shown the opposite. Time has shown that compromises can be found. Time has shown that consensus and agreement is possible if one wants it and is willing to work for it. Time, even since the first ministers' meeting and the accord which resulted from it, has shown that even further agreement is possible. I am referring to the ongoing attempts to protect the equality of women and men from the override provisions of Section 33 and of the hard work toward that end by so many women and some men in the last few days.

I mean no offence to others involved in those conversations if I mention in this House again the telegram that came from the Hon. John Buchanan of Nova Scotia as a direct result of the intense efforts of the hon. member for Kingston and the Islands (Miss MacDonald).

Some hon. Members: Hear, hear!

Mr. Bosley: When our party fought for more time last fall and last winter, it was because we believe our underlying constitutional law, conventions and practice are fundamentally sound enough that we could afford to take the time to make change properly and get it right the first time, rather than rush ahead with who knows what possibly disastrous consequences. We thought that was, at the very least, what had been promised Quebecers in the spring of 1980, particularly federalists in the province of Quebec.

● (1520)

[*Translation*]

Mr. Speaker, we still believe this, and that is why it is important to amend Clause 39 so that a province wishing to retain the right to provide services in any area now under provincial jurisdiction will receive financial assistance if in the future this field of jurisdiction is transferred from the provinces to the federal government by constitutional amendment. It is not only fair and equitable that a province which continues to provide services receive reasonable compensation from Ottawa if the federal government provides and pays for these services in other provinces, but the omission of such a reasonable clause was probably the first of the three reasons mentioned why the Quebec government did not sign the agreement.

[*English*]

The amendment has the support of at least the eight provinces which originally dissented, including Quebec, and appears to be opposed only by the government here. Not only is it just, therefore, but its adoption by this House is critical if we are serious about trying to bring at least the people of Quebec into this historic moment.

[*Translation*]

Whatever we might think about the sincerity of the commitment to federalism of the Premier of Quebec, I cannot overemphasize to those opposite the true fairness of the amendment which the Quebec premier as well as the other premiers consider so important. I cannot believe that anyone would seriously consider not offering an olive branch to the Quebec people when this is not only possible, but has the added advantage of strengthening the resolution without diminishing the support of the rest of the provinces.

[*English*]

Not only, therefore, is it just and reasonable, but it must be pointed out that, contrary to the views expressed last week by the Leader of the New Democratic Party (Mr. Broadbent), who argued that the amendment would somehow protect rich provinces which would be able to keep out socially beneficial programs, in fact it will do exactly the opposite. So that it is clear for those who listen or read *Hansard*, what the amendment says is that in the case of a constitutional amendment—in other words, an amendment which in future has the support of at least seven provinces, meaning that a majority of the provinces will already have decided that a program should be undertaken—contrary to the view of the Leader of the New Democratic Party, in the circumstance where a province stays out it should be entitled to the right to be paid. The reason for that is to protect provinces which will be put in the position, without such protection, of having to cast votes at a constitutional conference without protection from whose who are better off than they are. That surely is the spirit of federalism.

I mentioned earlier that it is critical that Section 28 apply without limitations—if hon. members will excuse my view of this thing—so that men will at long last be guaranteed equal treatment with women under the law. Without that change let us be absolutely clear that the resolution would be deeply and fundamentally flawed, and without that change at least some will argue that the resolution will not deserve our support. Some will say that in addition to that change the compromise allowing legislatures to override, at least temporarily, court decisions which appear in a legislature's view to be inappropriate also eliminates a flaw.

When I started on Friday I made reference to my earlier experience at the municipal level with the Toronto Centre plan and the view of one critic that it must be good because it equally displeased everybody. I think that might be exactly true regarding the override provisions, but this compromise is typically and indisputably Canadian. Those who favour parliamentary supremacy will be able to say that that has been preserved, and perhaps it has been. Those who prefer the coded or entrenched protection of our individual rights will be able to say that that has been achieved, or almost so, and that political pressure will prevent too frequent use of the override. Like the Toronto plan, in other words, the change will equally displease everybody.

This is a difficult issue because it is an attempt to marry two important federalist principles. One is that there should be no constitutional change without the consent of those affected; in other words, our provinces. The other is a desire to separate from government some of our freedoms for which there is in the law no final protection today because Parliaments may do what they wish.

I know my own view, and it is this. When we—and I—argued for the right of the provinces to consent, it never occurred to me that the answer the provinces would find would be the right to override basic freedoms. I would much have preferred, and would still prefer, a negotiated and, if necessary, an abbreviated list of individual freedoms agreed to by the provinces and by the federal government—thereby preserving the Canadian way—adopted by the governments as binding on themselves and therefore not subject to being overriden.

I believe government has now become so big that relying on political pressure to prevent a government from taking away our individual rights—and in this context I think particularly of the government opposite—is naive. Whether wiser negotiation by the federal government or a step by step approach moving simply to patriate with an agreed amending formula would have produced a happier result in this regard appears now to be a question for the historians, but one cannot help but wonder: what if?

If an important compromise has been reached on the charter, therefore, there nevertheless remain other flaws which should, and I hope will, be corrected. Here I think particularly of the refusal of too many governments and too many parties to include the right to property, a right which most Canadians regard as fundamental to their wellbeing. There is one other major flaw which can be corrected before this document is passed, since I am persuaded that the odds for getting property included are not very large. I am persuaded of that by those who are smiling at me; I sat and watched the neosocialists and the true socialists get together last year to prevent the inclusion of property, and I suspect they have not changed their view on that one bit.

One other major flaw that can and should be corrected before passage of this resolution is the resolution's failure to recognize native and aboriginal rights and treaty rights. Some will argue that too many provinces object to the inclusion of the old Section 34, although I am glad to see that that number shrinks every day. I repeat that it would be a shame if the personal timetable for this document of the Prime Minister were to prevent the movement, which appears to be growing, toward recognition of these rights from achieving its proper fruition.

Some will argue that too many provinces object to the inclusion of the old Section 34, which in fact only recognizes that treaties were signed and rights were created, as our common law has made so clear. To them and to those provinces I only say that the rights created by the Crown—which we now regard as our Queen—in treaties with our first peoples predate the provinces themselves and, while the provinces have legitimate concerns with regard to the interpretation of those treaties, the desire of some that our constitutional law not recognize that those rights exist is both impractical, given

existing court decisions, and, to put a kind face on it, less than noble. Just as this Parliament had a duty to protect the legitimate involvement of the provinces themselves in the development of a Canadian constitutional consensus, so this Parliament and other Parliaments have a duty to protect the treaty rights of those whose rights were created even before the rights of our Parliament were created.

• (1530)

I said I would not speak for very long today. It is not the wish of those on this side, as we will be indicating throughout, to delay unduly conclusion of the matter. It certainly is not mine. I indicated earlier I would prefer, if necessary, that we revert to the budget. However, I want in closing to deal with one or two matters.

I specifically refer to the argument being made by hon. members opposite, notably the Prime Minister and the Minister of Justice, who in their comments on Friday said that no amendments were possible because that would violate the spirit of the accord. Second, and this caused me the greatest problem, the phrase was used by the Minister of Justice on behalf of his government that "we must keep our word with the provinces". Suffice it to say that would be the first time in the entire history of the government that it kept its word on anything.

I am therefore loath to accept the argument from people who gave us wage and price controls, promised us no oil increases and said if there were they would quit if elected, that they are supposed to do what is asked of them because they wish to honour their word. On the other hand, it is possible that a lesson may be learned over there—that when they give their word, they should honour it. Maybe that lesson will be learned.

I now want to deal with the more important question.

Some hon. Members: Oh, oh!

Mr. Bosley: Sometimes the other side does react. I am more than happy to be part of a group that makes them respond to concerns about keeping their word. Let me repeat to the hon. member for Willowdale (Mr. Peterson) that I hope that is something his party learns.

In closing, let me return briefly to the more important issue, the issue of moving amendments. The resolution adds matters outside the accord, notably the section applying what is called the Canada clauses on minority language rights. That would imply to me, given the argument that one cannot introduce amendments not described in the accord, that the government may introduce amendments or modify the accord but no one else may.

I suggest, as members from this side will be continually suggesting, that to try and say to members of Her Majesty's Loyal Opposition that they have no role to play in trying to improve a process or resolution is ludicrous. This document, as we will continue to indicate until it is corrected, is fundamentally flawed.

To ask members of the House of Commons in 1981 to support a document which not only does not recognize treaty and aboriginal rights but attempts to deny the fundamental justice that every Canadian subscribes to, namely the equality of our people, be they men or women, are so far behind the times that I guess if it were not actually before us, I would have said there was not a hope in heck that we would see it.

As I said at the beginning, this is historic; this is constitutional renewal. If we are going to go this route and if we are to proceed, it is to me and many member of my party critical that we honour the promises we made in the referendum in 1980. It is critical that we honour the expectations of Canadians and honour the traditions of the original writers of our constitutional law. Now that we are making change, because of the strength they gave to this country all those years, let us honour their commitment to Canada and to the people of Canada today and make sure we do it right with justice and honour the first time.

Hon. Donald J. Johnston (President of the Treasury Board): Mr. Speaker, members of this House need not be reminded by me of the historical significance of this debate to which the hon. member for Don Valley West (Mr. Bosley) just made reference, nor of the remarkable consensus that has been forged between the diverse interests which are the very nature of Canada and, of course, of the importance of enshrining in our Constitution a Charter of Rights and Freedoms. Nor need I remind hon. members of the compromises and the disappointments that compromises necessarily entail in order to reach a consensus. I suggest those kinds of compromises are necessary for the greater good consensus can bring.

The hon. member for Don Valley West mentioned the issue of sexual equality and aboriginal rights. These issues are very much alive, alive to the point where some members seem to suggest that they may vote against this resolution on that account. I have received representations from members of my constituency of St. Henri-Westmount requesting me to vote against the resolution on those grounds.

Let us all hope that these matters will be resolved before the resolution leaves this House. In any event, to those in the House who have negative feelings about the resolution on that account and to those members of the community who are not directly present here but who are asking us to reject the resolution on that account, I ask them to reflect upon the following.

What would be accomplished by defeating this resolution? Would a defeat of the resolution in its present form be a victory for sexual equality? Would a defeat in any way enhance the aboriginal rights to which the hon. member for Don Valley West just made reference? Would it accomplish anything other than to rekindle the constitutional haggling and debate which has lingered on for so many years? I ask hon. members to bear in mind that this resolution before us prejudices no one. It gives rights. It takes nothing away, it only adds. Most importantly, it adds a means of accomplishing further constitutional change here in Canada. This resolution provides Canadians with the tools to finish the job, to ensure

that the charter is improved to meet the legitimate concerns and demands of those who may require further protection.

[*Translation*]

Mr. Speaker, by voting against the resolution just because of a few shortcomings, we may very well undo all that has been achieved up to now, and raise the same feelings of bitterness again, and we shall not be helping those individuals and groups who failed to obtain what they wanted and hoped to obtain through the Canadian Charter of Rights and Freedoms. They have not won yet, Mr. Speaker, but they have not lost. Perhaps such members who intend to vote against the resolution will indeed do so, safe in the knowledge that the resolution will be passed just the same, because enough fellow members will act responsibly to support a measure that is in the best interests of all Canadians, including those they claim to protect.

[*English*]

I suggest that to vote against this resolution because it does not contain enough would be an odd way indeed of advancing the cause of sexual equality or aboriginal rights. In my judgment it would be tantamount to a declaration that if some cannot have everything they want at this point in terms of this resolution, others should have nothing. I know that such is not the spirit or the motive of those who take issue with the resolution, but unfortunately that would be the result. That is what a vote against this resolution would be saying.

Surely it is a selfish gesture to deny the rights the charter contains to Canadians because the charter has certain defects, defects which I am the first to agree we should all strive to correct as soon as the Constitution is patriated from the United Kingdom. But the defects take nothing away. They are omissions. This is the very process of compromise, Mr. Speaker, that the Supreme Court of Canada has told us is an essential element of the constitutional convention. The convention has now been observed.

● (1540)

[*Translation*]

In this context, Mr. Speaker, I would like to address a subject of particular interest to English-speaking Quebecers. I have already quoted requests from constituents, asking me to vote against the resolution because of the shortcomings I have just mentioned and described. Many others have begged me not to support the motion because in their view, the language rights of English-speaking Quebec citizens are not adequately protected, compared with the protection given francophones outside Quebec.

[*English*]

For a moment I should like to discuss the issue of English education rights in the province of Quebec and, more precisely, why I have concluded that it is important, in fact essential, as an English-speaking Quebecer to support the resolution in its present form.

The basic and historic protection in Quebec for English language education derives from Section 93 of the British North America Act. The provision in question guaranteed the right of dissent by a Protestant or Catholic minority, as the case may be, and the concomitant right to establish a separate school board, to pay separate taxes, if you like to effectively establish a separate school system founded on religious distinction. All those rights, of course, continue to exist. There is some authority for the view that language may also have been protected through the provisions of Section 93. That point has never been decided by the Supreme Court of Canada.

I now turn to Section 23 of the resolution before us. What is the effect of that article? It provides that citizens whose mother tongue is French or English can send their children to a school in the language of their mother tongue. That is the provision which I will deal with in a moment in regard to its non-application in the province of Quebec. It also provides that they can send their children to a school of the language in which either parent received his or her education in Canada.

This latter provision of Section 23 has come to be known as the "Canada clause", because it permits complete mobility within Canada by Canadian citizens. All provinces, except the province where my riding is located, have agreed to accept Section 23 in its entirety namely that the maternal language criterion would apply and the parents' language of instruction criterion would also apply.

The acceptance by the other nine provinces is most significant. It ensures protection for the French-speaking minority outside of Quebec which, for the first time in our history, is a major accomplishment. The acceptance of the mother tongue criterion is particularly significant for provinces other than Quebec because in the past there were few French minority language schools. Hence, the maternal language criterion is fundamental to ensuring the ongoing protecting of the French linguistic minority outside of the province of Quebec.

Within Quebec the situation is different. Because of Section 93 which I referred to a moment ago, English-speaking Quebecers have always had their schools. The criterion of the Canada clause provides protection to English-speaking Quebecers and to all citizens of Canada coming to Quebec from other provinces whose father or mother, as the case may be, has taken primary education in English anywhere in Canada.

Clearly the maternal language provision, to which I made reference, would also be beneficial for Quebec. It would protect English speaking Canadians, naturalized citizens coming from other parts of the world, whose children might wish to attend English schools at the primary school level. That is where the maternal language provision would, in my view, be most significant. Unfortunately, for reasons which I will describe in a moment, it will apply in Quebec only when there is authorization either by the National Assembly or by the government of the province. The political reality is that such acceptance is unlikely under the present provincial government. That is the difference between the application of Section 23 in Quebec and its application in the rest of Canada.

Why would we agree to modify the application of Section 23 in the case of the province of Quebec? Why do I, as an English-speaking representative, representing a riding in

Quebec with a substantial English-speaking population, agree to support the resolution in its present form? My decision was taken only after weighing the long-term advantages and the disadvantages of the approach which I must say I instinctively and intellectually find most appealing; that is to say, that the clause should be imposed in its entirety. In the rational world of pure theory, Mr. Speaker, that would not only be the logical thing to do but I also suggest in today's world it would be the civilized thing to do.

However, in the real world with which we are confronted today in the province of Quebec, political prudence and wisdom dictate otherwise. We must not win a battle and lose the war. The war against separatism is still being waged. My colleagues from Quebec are convinced that the imposition of the mother tongue provision would be misunderstood, and it would provide substantial ammunition to the separatist movement.

The Canada clause is quite another matter. Mr. Lévesque in 1977, at the conference of first ministers in St. Andrews, offered such an arrangement to each of the other provinces. I understand he reconfirmed that offer the following year in Montreal. The Canada clause derives from an idea of Mr. Lévesque's own creation and the notion of reciprocity within the terms of the Canada clause contemplated by Article 86 of Bill 101. Therefore, the Canada clause is nothing new. This is not a provision to which Mr. Lévesque could take exception on grounds of principle and nor could his separatist followers. Moreover, it also seems to be a provision which enjoys wide acceptance among members of the provincial Liberal Party.

This brings me to my second area of concern. Make no mistake about it, Mr. Speaker, we shall have another showdown with Mr. Lévesque and his separatist government before the cloud of uncertainty that hangs over the province has finally dissipated. That showdown may take many forms; it may take the form of a referendum; it may take the form of a provincial election. Mr. Lévesque and his colleagues will undoubtedly choose their time and place. When that hour is upon us, we will need the coalition of support that so successfully carried us to victory in the referendum of 1980. We will need the support of all Quebecers. Though many may be Quebec nationalists in one sense, they are total federalists. Some of these federalists have taken the position that nothing should be imposed on the province which in any way diminishes the powers of the National Assembly. Those representations have been made to me. While I respect those views, I am unwilling to support a constitutional resolution which does not impose the Canada clause as a minimum.

At the other end of the spectrum are those members of the English-speaking community who insist upon the application of Section 23 in its entirety, notwithstanding the fact that such a gesture will give further ammunition to the Parti Québécois, for the reasons I have mentioned.

● (1550)

In addition, such an imposition might divide and irreparably damage the provincial Liberal Party itself. Our provincial colleagues are essential to the coalition which must be forged to defeat effectively and definitively the Parti Québécois and its separatist option. I would hope that the middle ground we have selected will provide a basis for that coalition and that Mr. Ryan, who frankly made a magnificent contribution to the referendum debate and for whom I have the greatest respect and admiration, will close ranks with us. Rather than fracture the ranks of Quebec federalists, I accept a compromise which invokes the Canada clause that adds to the rights of English-speaking Quebecers and will permit all federalists of whatever party stripe or affiliation to come together to fight separatism. Certainly I would prefer to have the mother tongue provisions of the first part of Section 23 apply, but I must also be sensitive to the political realities of the province of Quebec in the 1980s.

In the context of this linguistic issue, let me return to my opening comments. The resolution provides additional protection for the English-speaking minority in Quebec. It imposes the Canada clause, a clause which will guarantee that no further erosion can be made of the rights of the existing English-speaking community and that other English-speaking Canadians are able to come into Quebec and attend English-speaking schools by right. These protections do not now exist.

Further protections may be required, such as the mother tongue protection, but let us place such improvements in the same light as my earlier comments on aboriginal rights and the rights of sexual equality. When the Constitution has been patriated, let us make it a better Constitution than the one contained in the resolution before us. But let us not jeopardize the remarkable progress we have made and the additional rights we have acquired under the Canada clause which will apply in Quebec under this resolution. To vote against a resolution which provides greater protection than now exists for English-speaking Quebecers because there are further rights guaranteed to French-speaking Canadians outside Quebec would be at best a "dog in the manger" attitude. It would surely be the perfect example of the old adage—cutting off one's nose to spite one's face.

[*Translation*]

In this context, Mr. Speaker, I should also like to discuss the connection between the economy in the province of Quebec and this constitutional debate. It is common knowledge that reaching an agreement with the Quebec government on constitutional matters is practically impossible, if it continues to view the separatist option as its objective. With my colleagues, I feel very frustrated about the situation, not only because I would like to see the constitutional matter settled once and for all, but also because as long as this uncertainty exists, I feel there is very little hope of seeing any improvement in Quebec's economy. That is the connection between the economy and the Constitution which is sometimes forgotten. Quebec is in financial trouble. That was made quite clear by the Minister of Finance, Mr. Jacques Parizeau, last week. And of course, the Quebec government continues to blame all its problems on Canada, a strategy that will probably be used more often in

order to camouflage the province's deplorable financial administration. Can one trust a government that is willing to spend millions of dollars of its taxpayers' money to satisfy the nationalistic urges of its ministers and purchase the Asbestos Corporation, a government that at the same time makes cutbacks worth one-half billion dollars in its social services? It is appalling!

Until the Lévesque government stops sowing the seeds of discord in the business world at the provincial, Canadian and international level, Quebec is going to remain in its economic slump. One essential factor that could help us get out of the slump, Mr. Speaker, would be to see the end of this endless debate on the Constitution and have the assurance that Quebec will remain within a strong and united Canada.

In the interest of all Quebecers, Mr. Lévesque should agree to the compromise solutions offered by Mr. Trudeau, but he has refused outright. These compromise solutions, which are supported by the federal members who speak on behalf of the interests and aspirations of Quebecers, are very reasonable and very substantial. For instance, in addition to a lack of financial resources in the province of Quebec, sometimes we also lack human resources. It often happens, Mr. Speaker, that we need engineers, scientific researchers, professors, and high technology experts. We need these people like any country, any province and any region needs them, to better achieve our industrial goals. We cannot do without them. Modernization and high technology industries are absolutely indispensable to the industrial future of our province, if we are to revamp the soft sectors of the economy, such as textiles and footwear. As you know, Mr. Speaker, the federal government has just earmarked more than $250 million for that purpose. These people are not going to take the place of Quebecers but they are going to create jobs in new enterprises, more profitable jobs in areas where we can compete at the world level. One example is the aerospace industry, where thanks to federal programs, Quebec already has the infrastructure in Quebec on which we can build further.

That is why Section 23, the so-called Canada clause, is so important. It is important because it says that if a Canadian citizen who comes to the province of Quebec was educated in English, he will have the right to send his children to an English school in the province of Quebec. This minimum protection is indispensable if we are to attract Canadians to Quebec in order to meet the needs that I have just mentioned. As I indicated before in English, Mr. Speaker, because at the St. Andrews' Conference in 1977, Mr. Lévesque himself offered to enter into reciprocal agreements with the provinces that would guarantee schools for the francophone or anglophone minorities, as appropriate, the Canada clause in this resolution will, in fact, be entrenching Mr. Lévesque's own concepts. So, Mr. Speaker, with the Canada clause we have an element that is extremely important to the economy of the province of Quebec.

[*English*]

In conclusion, if ever there was an example of the whole being greater than the sum of its parts, surely it is this country of ours—Canada. Our Fathers of Confederation had the foresight to pursue that dream, and a record of 114 years bears eloquent testimony to their conviction. Sir John A. Macdonald said the following shortly before his death:

> If I had influence over the minds of the people of Canada, any power over their intellect, I would leave them with the legacy: Whatever you do adhere to the union—we are a great country, and shall become one of the greatest in the universe if we preserve it; we shall sink into insignificance and adversity if we suffer it to be broken. God and nature have made the two Canadas one—let no factious men be allowed to put them asunder.

I believe all hon. members of the House accept Sir John's challenge. We will not let factious men put Canada asunder. We will not permit factious men to rob generations of Canadians of this great legacy.

● (1600)

The adoption of the resolution before the House today, Mr. Speaker, is an important step in ensuring that Canada will remain greater than the sum of its parts for the benefit of all future generations of Canadians.

Some hon. Members: Hear, hear!

Hon. Jake Epp (Provencher): Mr. Speaker, once again it is an honour to participate in the development of our Canadian Constitution. Before I begin my comments, I want to thank the Minister of Justice (Mr. Chrétien) who, prior to leaving the House this afternoon, indicated to me that he would not be present for my remarks. I understand he is engaged in the activity of telephoning various premiers, an activity which some of us have also engaged in over the last days, weeks and months. I can appreciate the work that lies before him today.

One hundred and sixteen years ago, the provincial Parliament of Canada engaged in a debate on the confederation of the British North American colonies. While it was the practical men such as Macdonald, Cartier, Brown and Galt who outlined the immediate advantages of the confederation scheme, it was Thomas D'Arcy McGee who outlined the general principle which was to be the foundation of the new nation. He said:

> There is something in the frequent, fond recurrence of mankind to the federal principle, amongst the freest peoples, in their best times and worst dangers, which leads me to believe that it has a very deep hold in human nature itself—an excellent basis for a government to have.

In the one hundred and fourteenth year of the confederation which those men helped to create, Canadians have debated this same cornerstone of the Canadian nation—the federal principle.

On one side there have been those who have grown impatient with the federal process and who believed that federalism no longer worked. They felt that the merits of such measures as an entrenched charter of rights or a clarification of resource jurisdiction justified a departure from the Canadian tradition of seeking compromise and consensus on major constitutional issues.

On the other side there have been those who have fought for the maintenance of the federal principle. We believed that unilateral action was based on a false premise: that the federal system no longer worked and that progress could not be reached by compromise and consensus. We rejected that attitude completely.

On October 2, 1980 the Right Hon. Leader of the Opposition (Mr. Clark) recognized that the government's constitutional proposal offended the federal principle. Since that time, under his direction, the federal Progressive Conservative Party has fought the government at every step to ensure that the federal system would be protected. We were among those who believed that the federal system still could work if all our political leaders had the will to make it work.

On November 2 of this year, almost one year after the government's original deadline for debate on its unilateral action, an event occurred for which those of us who defended the federal principle had fought long and hard. Eleven political leaders of Canada who both represented and reflected the diversity of Canada met to discuss the constitutional resolution.

This meeting was made possible by the decision of the Supreme Court of Canada that the government's original plans were unconstitutional. It is the conclusion of that meeting that we are discussing today. That decision occurred before the government's proposals were rushed off to Great Britain only because our party, under our leader, fought a long parliamentary battle last spring. Many Canadians may have forgotten that at that time we were told by the Leader of the New Democratic Party (Mr. Broadbent) that we were wasting the taxpayers' money and that we should get on with the job, although it was a position that he had supported earlier.

In spite of it all, we remained determined to fight for the right of the Supreme Court of Canada to render its decision. We remained hopeful that Canada's first ministers would use the opportunity which we had provided them to meet once more.

On November 2 the first ministers did use that opportunity. And on November 5, Canada's political leaders restored our faith in the federal system. They proved that they could put aside their personal, political and sectional interests to reach a compromise for all Canadians. I suggest to hon. members that the same spirit must prevail in this House as well.

In defending the Canadian federal tradition of consensus, we were often accused of being naive or of failing to support such worthwhile measures as the Charter of Rights and Freedoms. But we retained our faith in the nation, in the principle of federalism and in Canada's political leaders. And in the end, I believe we and all Canadians who held that view have been rewarded for that faith.

What, then, is the resolution before us and how does it compare to the old resolution? I believe that Canadians have been rewarded by a new constitutional resolution which is dramatically different from the one which we debated last fall, winter and through the spring.

When speaking in those debates, I and other members of my party outlined four main objections to the government's proposal. Our primary objection was to the unilateral action of the federal government. The resolution before this Parliament today has the support of ten Canadian governments. It represents the result of compromises on all sides. As a result, Canadians will have a truly Canadian Constitution made in Canada through the Canadian tradition of consensus.

We also objected to the interim amending formula which would have subjected Canada to the tyranny of unanimity for several years. We believed such a complicated formula was unnecessary because agreement could be reached on a permanent way to amend the Constitution in the future if the federal and provincial governments met once more to discuss it.

The new resolution contains no interim amending formula. We must ask why that is so. It is because the agreement which we always believed was possible was reached.

The old resolution also had a permanent amending formula to which we objected. The outdated Victorian formula did not conform to the reality of the Canada of today nor, I suggest to hon. members, to the Canada of tomorrow. It did not treat the provinces equally and it provided central Canada with a permanent veto.

Since October 2 of last year, our party maintained that the so-called Vancouver consensus amending formula represented the reasonable basis for an agreement among all governments. The Vancouver formula had the advantages of treating provinces as equals and of being flexible while still protecting the diversity of Canada.

It is this formula, as adapted through intergovernmental co-operation, which is contained in the present resolution. I say to all hon. members that it was that amending formula, one which created different classes of provinces and therefore, by extension, different classes of citizens in Canada, that we fought so hard to have removed from the resolution. Those of us who do not come from central Canada felt it was time not only that we be given equal rights, but that we also be given the responsibility of contributing to the country on an equal basis.

Among the government's original proposals there was one feature which we regarded as highly dangerous and divisive. That was the referendum provision, controlled entirely by the federal government, which was open to potential abuse and would have created needless strife within the country. There are those who say it is the ultimate exercise of democracy, but if we look at the old resolution we will see that the manner in which it could be used would have led to division, strife and rancour rather than agreement. Canadians did not want a Constitution which might pit region against region and neighbour against neighbour. Canadians needed and wanted a Constitution which would unite them.

There is no provision for a permanent referendum anywhere in the present resolution. Canada's political leaders have indicated in their wisdom that such a dangerous and divisive

mechanism, a provision which like unilateral action reflected a distrust of the federal principle, was unnecessary.

Throughout the debate on the old resolution, our party offered a number of compromises which would have eliminated our major objections. But most of all, we asked that all our governments return to the bargaining table to discuss the constitutional proposals. When they finally did, Canada's governments removed the most objectionable sections from the old resolution and, I believe, crafted a completely new document of which Canadians should be proud.

The Constitution agreement reached by ten Canadian governments and opposition parties in this House produced a Charter of Rights and Freedoms in which all Canadians should take much pride.

The charter of Rights and Freedoms before the House today contains all the essential features which were developed by the Special Joint Committee on the Constitution, with exceptions that I will come to later, in response to the representations of thousands of Canadians. Today those representations are crafted in a document which will enable the courts, Parliament and the legislatures actively to protect the rights of all Canadians.

• (1610)

The premiers' particular contribution was to introduce the concept of a legislative override. This is an important innovation which will strengthen the effectiveness of the charter of Rights and Freedoms. I think it is important that Canadians understand this innovation, particularly because some people are suggesting that this innovation has produced a "watered down" Charter of Rights and Freedoms.

No country in the world, not even Canada, enjoys a system which could perfectly guarantee our rights. The Parliament and legislatures of Canada are not perfect. They have done injustices to individuals and minority groups. But the Supreme Court of Canada is not infallible either. It is equally capable of making mistakes and doing an injustice to Canadians. In an imperfect world Canadians must choose between frail human institutions and decide which should hold the final authority.

A legislative override leaves the final authority, and only the final authority, with the people's elected representatives. You might then ask how that would work. Suppose a future Supreme Court decided that provincial legislation allowing prayers in public schools violated the charter, and specifically the freedom of religion provisions? A provincial legislature would have to decide whether this legislation was so important and so popular that it should still be enacted. It might feel that the court had misinterpreted the intentions of those who drafted the Charter of Rights and Freedoms or the popular will of the people.

Having decided that the legislation was important enough, Parliament or the legislature would have to state publicly that it would pass the legislation knowing that it conflicted with the Charter of Rights and Freedoms. Not only that, it would have to introduce the legislation knowing it would have to be passed and scrutinized again every five years. Obviously, a government would do this only when it felt that the legislation was very important and was supported by most people. This probably explains why legislative overrides have never been used by any of the provinces which include them in their bill of rights in Canada at the present time.

It is important that Canadians understand that Parliament or a provincial legislature would not be opting out of the guarantee of, in this example, freedom of religion. It would only be stating that this single piece of legislation should still be effective even if it conflicts with the freedom of religion. All Canadian governments have affirmed their commitment to protecting our traditional rights, such as freedom of religion and speech. Ten Canadian governments are also committed to guaranteeing more modern rights, and here I am thinking specifically of the rights of the mentally and physically disabled. It is that section which I believe puts our charter in the vanguard of a modern charter, so to speak, and I am pleased to see those provisions included.

The importance of the commitment of Canadian federal and provincial governments to the rights contained in the charter should not be underestimated. This commitment will open the way to progress in including further guarantees in the Constitution over which our party has expressed some concern. More importantly, all the work which was done, all lofty phrases which were inscribed, and all the promises which were made by all parties in this Parliament during the hearings of the Constitution committee would have been worthless without the full commitment of the provincial governments to the Charter of Rights and Freedoms. It was unthinkable, in my view, that we would have a charter of rights and freedoms and then we would have provinces saying from time to time that the charter would not apply in their province. How, for example, would one be able to opt out of rights?

There are a number of members who insist that a charter of Rights and Freedoms is a hollow document, that it cannot protect the rights of citizens. While I am one who cherishes the rights handed down through the English common law, I remain convinced that redress for violations of rights by government is made possible through the inclusion of a charter of rights and freedoms—the example of Japanese Americans who, while not protected by the charter of rights of the United States either, were given compensation after the war. Japanese Canadians have not been compensated to this day. I have one such person in my riding at the present time. What we have to fear is not the violation of our rights by our fellow citizens, but by the government itself.

Additionally, there are those who point to the U.S.S.R. and other dictatorships as having an entrenched charter of rights, and yet, despite this provision, violations of human rights goes on daily. How do we answer this charge?

I said that our government institutions are fallible because we as people are fallible. The difference between the U.S.S.R. and democracies though is apparent. Dictatorships use charters for propaganda purposes. They have no intention, either at home or internationally, to observe the rights they so piously adopt.

I would now like to speak personally for a moment. My father and his family came to this country in the 1920s. They were given freedom. Yes, they were given that freedom without a charter. But many immigrants, because of the loss of country and status, see a charter as a symbol, as a written guarantee of the rights they so vigorously defend. charters can be empty of resolve. My uncle spent 22 years in a labour camp in the Soviet Gulag. My cousins to this day cannot return to the Ukraine where their family lived, but must remain in the so-called virgin lands. The rights in the U.S.S.R. are empty. Their charter is for propaganda purposes only. But let us not compare either the purpose or the action of the Soviet authorities with our country and the desire of its citizens to protect our basic rights.

On October 6, 1980 the Minister of Justice suggested that the government was completing the work of the Right Hon. John George Diefenbaker. Back then, nothing could have been further from the truth. Prime Minister Diefenbaker respected and loved Canada too much to have acted unilaterally in a way which would have affected the federal system. But I am also certain Prime Minister Diefenbaker dreamed of the day when all provincial governments would commit themselves to entrenching a bill of rights in the Constitution. Now Canada's first ministers have helped to fulfil that dream.

The Canadian Charter of Rights and Freedoms affirms and extends the freedoms of all Canadians. It should be a source of pride to all Canadians for all generations to come.

If the first ministers drafted a document of which all Canadians should be proud, some people must be wondering why our party has suggested some changes to the accord. Perhaps it is because, as Sir John A. Macdonald once said of the American constitution:

> To say that it has some defects is but to say that it is not the work of Omniscience, but of human intellect.

We must not forget that our first ministers met in a pressure packed period of four days and may not have had the opportunity to consider the full implications of some of the actions taken.

I am suggesting that Parliament has a role to play to ensure that the rights of all Canadians have been kept in mind and to provide, though it might be foreign to us in this chamber, "sober second thought" to their work. That there is room for change and "sober second thought" is obvious from the fact that the resolution which we are debating is not identical to the one which would have been produced by the constitutional accord.

A tremendous furor has been created over the application of the "notwithstanding clause" to the guarantee that rights should apply equally to men and women. A similar furor has surrounded the absence of the guarantee of aboriginal rights from the present resolution. Both of these outcries, on the part of women and on the part of the native peoples, have been perfectly justified. And it would now appear that both important segments of the Canadian federation will find a place in the final accord which this Parliament will approve. That is a hopeful sign.

It is a hopeful sign because it indicates that many Canadians want to play a part in the agreements which are often reached by first ministers behind closed doors. They want to make sure that those agreements truly reflect the diversity of the Canadian federation. Canadians have shown that they want to be part of the process of constitutional change.

I want to speak for a moment about native rights. People sometimes ask me why I am interested in going beyond the entrenchment of the rights that are now in Section 25. One of the practical examples I have been using is as follows. Suppose, Mr. Speaker, that you have bought a quarter section of land but when you receive title you find that you receive title for that quarter section with one small omission: the back 40 acres are not included. Suddenly you find that instead of 160 acres you have only 120 acres, although the deal was for 160 acres.

● (1620)

There are many Indian people in Canada today whose treaties still are unfulfilled. They still have treaty entitlement. They are still cut off from lands in British Columbia, and there are treaties still to be signed north of 60. I say to Canadians, all we are asking is for a fair deal. We are asking them to apply this to themselves to see whether or not it would be acceptable to them if the agreements they had made were in fact different from the agreements they received in the end.

Also in reference to Section 28, this party, as proposed by my leader on Friday last, insists that Section 28, as it appeared in the resolution which came out of the joint committee, be restored in its full power.

There is a hopeful sign during these days and these hours when these negotiations take place that these agreements can be made and included as amendments to our constitutional proposals.

On Friday also the Minister of Justice suggested that every Member of Parliament should use gentle persuasion wherever possible to pave the way for a solution in the areas of disagreement. It is in this spirit, and not in a partisan way, that our party has been seeking a reconciliation in the areas I have mentioned of women's and native rights. Now is not the time for any party or person to trumpet their role in bringing about a potential consensus in these areas. It is a time for all of us quietly to play whatever role we can in bringing about these changes.

It is in this same spirit that members of our party have been seeking to make the constitutional accord acceptable to the people of, and perhaps the government of, Quebec. As a Canadian from the west, I can remember the isolation and alienation which we felt when the constitutional proposals were going to be imposed on us, proposals we thought were detrimental to our region and our people. I do not think we should forget now that the same sense of isolation could be felt by another important region of the country.

Under the direction of our leader, we have been seeking to make the constitutional proposals acceptable to the people of Quebec. That is the spirit in which we will propose the

amendment on financial compensation. That is the spirit in which today our leader has contacted the Premier of Quebec concerning minority language education provisions. The Leader of the Opposition has asked the Premier of Quebec for a clear commitment that his government will recognize the right of all Canadian citizens to minority language education. We are asking the Premier to take the essential first step, in guaranteeing these rights, after which would commit the government of Quebec to accept the rights of all Canadians to minority language education voluntarily.

All Canadians would like to see all regions involved in the final constitutional accord, and all Canadians feeling at home in this country. What we are seeking is a compromise which would make the accord acceptable to the government of Quebec.

Some members of the House, the press and of the public might say that is impossible. If that is the case, let us be sure that the people of Quebec realize that their government will reject all reasonable proposals. If, regrettably, that is the case, let us make it clear to the people of Quebec that they only appear to be isolated, isolated by a Quebec government which is more interested in deliberately asserting its separatist views than in working within the framework of the Canadian federation to reach a genuine agreement.

I want to spend some time, Mr. Speaker, speaking in reference to how the accord affects the people living north of 60, in the Northwest Territories and the Yukon.

The accord provides an amending formula which, I believe, requires modifications to meet the requirements of Canadians living north of 60. Many of us dream of the day when Canadians living in the Northwest Territories and the Yukon achieve full responsible government. That should happen today. I just cannot understand why we cannot have full responsibility for those territories today, why we cannot accept the concept that those who are elected must be responsible to those who elect them, and why we cannot remove the federal bureaucratic shackles that have existed for so long north of 60; but I guess change comes very slowly.

Having said that, we look forward to the day when they will achieve full responsible government, and once having achieved that government they eventually will make the decision on the advisability of attaining provincial status. The amending formula allows these citizens to make that judgment, as we see it now, without further change to the amending formula; that is, we are not restricted to the number of provinces needed under the amending formula, but rather to a mathematical formula. There is a section in the accord which I seriously believe brings into question the future of the people living north of 60, and that is Section 41, specifically Section 41(e).

As this Parliament takes a sober second look at the resolution, we might also want to consider the part of the constitutional resolution which will involve the provinces in the creation of new provinces out of Canadian territories. The power to create new provinces out of territories presently rests with the federal government. That is in Schedule 2 of the amendments to the British North America Act, 1871. According to the resolution, this power will still rest with Parliament in part, but in another section, namely Section 41—the schedule is in conflict with Section 41—this power will rest with the federal and the provincial governments. This contradiction should be cleared up so that the intentions of the government in this matter are very clear to all concerned. I suggest to the Minister of Justice that he look at both the schedule and Section 41(e) to see if we cannot clarify that matter before the resolution has the final approval of this House.

Mr. Nielsen: And Section 41(f)

Mr. Epp: My colleague, the hon. member for Yukon (Mr. Nielsen), also refers to Section 41(f). I believe he will be speaking more specifically about the north later on in the debate.

As always when compromise is reached, one would like to see changes which cannot be achieved at the moment without jeopardizing the agreement itself. For example, the fact that property rights have been left out is of personal concern to me and I know to many colleagues on this side of the House at least. I urge the provinces to rethink their opposition to this provision. If rights relating to property can be included for other groups, such as natives, I would think that some way could also be found to guarantee property rights and yet allow provincial governments the administrative freedom to acquire property for the benefit of the general public.

I also want to issue a warning to this Parliament and future legislators regarding the absence of rights for the unborn. I am not speaking as a critic of my party but personally as a member of this House. The Minister of Justice and his officials argue that the charter is neutral on this issue. I pray that legislators and courts will not take away, because of this neutrality, the rights of the most defenseless in our society. If I have any disquiet today, Mr. Speaker, it is on that topic.

Some hon. Members: Hear, hear!

Mr. Epp: In conclusion, the debate in this Parliament on the resolution is beginning to settle in the minds of all members of this House the fact that constitutional compromise is possible. When we have concluded this debate Canada will have a Constitution which contains all of the good features of the British North America Act which have served us well in the past. Canada will also be able to change its Constitution in Canada, and we will have entrenched a commitment to equalization, a fuller definition of provincial resource ownership, as well as the charter of Rights and Freedoms to which I referred earlier.

I am relieved that a debate which began in anger and which has created deep divisions in the country is ending in good will. I hope there are others like myself who have had their faith in the federal principle, upon which this nation was founded, rewarded, and I hope there are others whose faith in the principle has been restored.

● (1630)

There are many challenges to be overcome in the coming decades which will require the same Canadian tradition of consensus and compromise. It is time that we left division. It is time that we left the bitter words of the last year far behind us and start to face the challenges of the future.

Someone has said, and John A. Macdonald used to paraphrase it, that Canada is more than a mere geographical expression. All of us who have taken a look at Canada's geography know its geographical grandeur. Whether one sweeps from east to west to north or the other way around, one has been filled with awe with our country. Canada is more than a geographical expression. It is a land of people, people who in their own way each want to build a better Canada.

During the confederation debates in 1865, the Hon. George Etienne Cartier said:

> I view the diversity of races in British North America in this way: we were of different races, not for the purpose of warring against each other, but in order to compete and emulate for the general welfare. This diversity is our strength.

The question might be asked, how do we repay those who laid the foundation of this country? Lord Tweedsmuir probably said it best when he said, "We can only pay one debt to the past, by putting the future in debt to ourselves". That, Mr. Speaker, has been our work and that should be our legacy.

Hon. Judy Erola (Minister of State (Mines)): Mr. Speaker, I am very proud at this moment to be a Canadian woman. Equality for myself and all Canadian women has ceased to be an elusive dream. Instead, it is taking on the shape of reality, moulded by generations. It is equality not according to the old maxim "As persons in matters of pains and penalties", but as persons in the matter of rights and equality. You can bet that we want full equality.

What is this equality that we women have been fighting for? How many generations of men and women have asked the question: What do women want? Well, for our grandmothers who were not even considered persons and who fought for the vote, and for our mothers who supplied the labour force during the war and since, and for our sisters and daughters and granddaughters, I will tell you what we want. We want the rights in the Charter of Rights and Freedoms guaranteed equally to male and female persons. That means the original wording of Section 28:

> Notwithstanding anything in this charter, the rights and freedoms referred to in it are guaranteed equally to male and female persons.

It is that simple. We want the reference to Section 28 in the override clause, Section 33, deleted. The charter will then carry a forceful statement of equality. This will give the courts a strong direction that sex discrimination cases require their strictest scrutiny.

For those who argue that affirmative action programs are jeopardized by the removal of Section 28 from Section 33, I remind them that the present constitutional proposals clearly state that affirmative action programs are not subject to the normal rules barring discrimination on the basis of sex.

To go back to some of the things which have happened to women in this country, I am sure there are many who are not aware of the fact that long before the era of the suffragists, women in Quebec, Nova Scotia and New Brunswick had been entitled to vote and hold office. Why? What happened? Simply because it had not occurred to anyone to make laws to prevent them from voting. Of course, you can guess what happened when this existed; legislation was enacted to remove that right.

It was not until April 25, 1940, with the capitulation of Quebec, which was the last province to give votes to women, that the injustice was overturned. It is curious to recall that in our so-called enlightened age it is almost impossible to believe that the late Senator Therese Casgrain as recently as 1970 became the only one of Canada's leading suffragists to hold federal office. I would like to think that Madame Casgrain, who died just three weeks ago, would be sitting in that gallery this afternoon, but I am sure that she is with us in spirit today.

Well, women got the vote and, as most women know, we who were busy building homes, feeding cattle, ploughing the fields and milking the cows—as my mother did—having babies and raising families, then had to fight for the right to be recognized as persons. Most of us in this House are familiar with the Persons' case, but I think it is worth while to go over it again. In 1928 five Alberta women, the "five persons" as they were later known, Henrietta Edwards, Irene Parlby, Louise McKinney, Nellie McClung and Emily Murphy, appealed to the Supreme Court of Canada to decide whether women were "qualified persons" who could be appointed to the Senate. Of course, the Supreme Court rejected this idea. The case was then appealed to the Judicial Committee of the Privy Council in England who accepted the idea that women were, indeed, persons. This now forms part of the constitutional law of this country.

However, this should serve to remind the men of this country that for decades, right up to the present time, women have participated and agonized in this constitutional exercise.

We look upon the events of the past year as events which have been controlled, to a large degree, by women themselves. They did not let the drafters of the Constitution forget. Back in February, 1981 many thousands of women told the federal government that equality must be guaranteed in any charter of Rights and Freedoms to be entrenched in the Constitution. The government agreed to this and a special guarantee, Section 28, was added to the charter in the general clause.

In April, 1981 this guarantee of equality for women and men was passed by all three parties in the House of Commons. Women thought that they had a guarantee that all laws in Canada would have to treat men and women in Canada equally. So there it was. We have the charter, standing the way we want it, clearly defined. The battle was won, we

thought. However, it was not. Why? Because the provinces, the Supreme Court and the opposition parties put this government in the position of bargaining for consensus. The provinces changed the charter without consulting the people within the provincial boundaries.

We will recall, but I think it proper to remind this House and the people of Canada that it was the federal government that held constitutional hearings and an all-party committee sat for months. There were 303 witnesses, including individuals and groups, along with almost 1,000 briefs, letters and telegrams which were heard and received. The committee listened, responded and so developed a charter that did respond to the hearts and minds and needs of the people of Canada.

When it was found that the charter had changed, bowing to the pressure of the provincial premiers, the women looked up and said "No". Women, united as never before, said no. It was time to tell the provinces no. Much credit is due to special groups and dynamic individuals who I will name later on this afternoon, but the credit for speaking out goes to the women of Canada, women working both in and out of their homes, mothers, grandmothers and daughters and particularly the women of this House. I refer to the member for Kingston and the Islands (Miss Macdonald), the hon. member for New Westminster-Coquitlam (Miss Jewett), the hon. member for Vancouver East (Mrs. Mitchell) and the hon. member for Vancouver Centre (Miss Carney)—in fact, all the women on the opposite side of the House.

● (1640)

It goes without saying—but I think I should mention it—that the women on this side of the House have given tremendous support, particularly my close friend and colleague, the Minister of National Health and Welfare (Miss Bégin), who is leading us into another major battle for pension reform, which is very much needed to ensure the economic security of the women of this nation.

I must also pay tribute to the Prime Minister (Mr. Trudeau), who displayed his total commitment and confidence when he appointed me as the minister responsible for the status of women.

We have also been supported all the way by those women members in the other place. I refer to Senators Bird, Rousseau and Neiman who have worked tirelessly in support of these efforts.

Who actually galvanized these women into action? Two groups provided the main thrust. The ad hoc committee, with women such as Pat Hacker, Lynda Ryan Nye, Rosemary Billings, Marylou McPhedran and countless others, and the Canadian Advisory Council on the Status of Women—capably led by its president, Lucie Pepin, I am pleased to say—have provided an extremely powerful force in the past few weeks. Fortuitously, the council was meeting in Vancouver at the time of the signing of the final resolution, and it moved very quickly and very effectively. If there was any doubt about the strength and integrity of the Canadian Advisory Council on the Status of Women, those doubts have surely been dispelled by the events of the past ten days.

I would like to remind this House that the president of the advisory council, Lucie Pepin, and many of her provincial chapter councils, met this last weekend in Saskatchewan. These groups have managed to reach almost every Canadian woman and, I must say, it is working. This network—and we call it a network because that is what it is—went into action and the premiers heard from the women. Pressure continued to mount on each premier until, one by one, they fell. But will we have Saskatchewan? In order to adhere to the spirit of the accord, we must have all the provinces onside. I say to Saskatchewan, to the Premier of Saskatchewan, to the people of Saskatchewan: join us. I am convinced that reason and justice will prevail.

I must also say that much credit must go to a group of women which has worked largely behind the scenes for the past week or two. I refer to my department, Status of Women Canada, and its co-ordinator, Maureen O'Neil, who with a small but highly skilled staff have kept me and my colleagues informed of the implications of the various decisions and options offered throughout these negotiations.

On Friday the Leader of the Opposition (Mr. Clark) spoke of his background of growing up on a farm where women were equal. I share that background. I grew up on a farm, and I had the added advantage of growing up next door to an Indian reservation. This has helped me to understand the even greater injustices which have been done to native women. These women—including Sandra Lovelace, Jeanette Lavell and Mary Two Axe Early—must share equality with men under and before the law, a law for all Canadians.

Again I return to the Leader of the Opposition who, on Friday and on previous occasions, indicated his sensitivity to and understanding of this issue. This has been healthy for this country and for this House because during the past week, as never before, the men of this House have opened the doors and let the views of women in. Lest we think this has been a battle fought for and with women only, just this afternoon I received a letter from a senior citizen, and I am compelled to quote part of it:

> I am a senior citizen war veteran who believes that I fought for a better world and society.
>
> It is hard to understand that a minister had to be appointed to see that a Canadian's rights have to be upheld. There should be no question in our country of any Canadian being slighted on their rights. As I write this I am sorry to hear the radio news that there is a question of whether or not rights will be included in the Constitution. All Canadians must enjoy equal rights without questions being involved. It is a shame that any Member of Parliament should voice anything contrary.
>
> Thank you for trying to make Canada equal for all citizens.

You will pardon us, Mr. Speaker, the women of Canada, if we are optimistic and hopeful and just a little bit cocky. We have come a long way, but there is one step to go.

I will close on that rather optimistic and perhaps light note because I think a little humour always helps us move along the way. I feel today very much as the quarterback of the Edmon-

ton Eskimos must have felt at about this same time yesterday. How can we lose? One final kick. We are still in the game.

Some hon. Members: Hear, hear!

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Ethier): Order, please. It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Ottawa-Vanier (Mr. Gauthier)—The Constitution—proposal that representatives of minorities attend conference; the hon. member for Esquimalt-Saanich (Mr. Munro)—Canadian Broadcasting Corporation—appearance of Canadian pipers at Edinburgh International Tattoo. (b) Request that broadcast be shown in Canada; the hon. member for Lethbridge-Foothills (Mr. Thacker)—The Budget—minister's awareness of effect.

GOVERNMENT ORDERS

[*English*]

THE CONSTITUTION

RESOLUTION RESPECTING CONSTITUTION ACT, 1981

The House resumed consideration of the motion of Mr. Chrétien respecting the Constitution of Canada, and the amendment thereto of Mr. Clark (p. 13050).

Mr. John Kushner (Calgary East): Mr. Speaker, I am honoured and privileged to speak in this historic debate on our Constitution. I am indeed very proud but, on the other hand, I am a very disappointed Member of Parliament. I am one of the most disappointed members in this House of Commons because the priorities of this government are wrong.

When I went to my constituency this past summer I was embarrassed because I was asked what I was doing about interest rates, jobs and the energy crisis. I was asked when we would come to some agreement or arrangement to get this country working again. What do Canadians have to do to get us to put our priorities in the proper order and to get us to address ourselves to the problems facing Canadians? Canadians are losing their homes and their jobs. What are we doing? We are talking about the Constitution rather than addressing ourselves to our country's needs.

Who can a person turn to when he is losing his home because of high interest rates? The government says it cannot

do anything about high interest rates because our rates are married to the rates in the United States. Are we saying that Canadians should write to Mr. Reagan, the President of the United States, to ask that the matter of high interest rates be addressed so that the needs of Canadians could be met? Or should we be saying that the Liberal government has completely lost control, which in fact it has? The fact is that bureaucrats are governing this country. Perhaps Canadians should be talking to bureaucrats instead of Members of Parliament because Members of Parliament have certainly lost control.

That is sad because we are living in a country of plenty. It is indeed one of the richest countries in the world. That is one reason my family emigrated from Poland to this country. We came here during the depression because of the freedom of opportunity. However, we have less freedom now than ever before. Some countries with the best charter or bill of rights or best constitution have less democracy and freedom than a country like ours.

● (1650)

The constitutional debate has not ploughed one field or created one job. If anything, it has caused a loss of business, jobs and opportunity for Canadians as far as revenue is concerned. This is because the government has not been addressing the needs of the country. It has been talking about the Constitution rather than dealing with the needs of this country. The Prime Minister (Mr. Trudeau) is not staying home but rather leaving his toy, the Constitution, for members of Parliament to play with. The Constitution does not matter much to a Canadian who has lost his home or job. In fact, it does not matter at all.

This is not the end of the debate on the Constitution. It will be coming forward again, no question about it. The Prime Minister's intention with this toy, the Constitution, is to have his name inscribed in the history books because he brought the Constitution to Canada at all costs. Without question, it has been "at all costs" to those Canadians who have lost their businesses. That is the way I feel, as do those whom I represent.

The hon. member for Provencher (Mr. Epp), the chairman of our Constitution committee, gave a lot of time, made many sacrifices and put in endless hours of effort to help make this Constitution work. It is hard to appreciate or to visualize the sacrifices this hon. member has made towards resolving this constitutional debate successfully.

There is more to Canada than just the French and English. I am neither French nor English but I am very much a Canadian. I have travelled in Quebec. It is beautiful. I do not have the words to express how hospitable and honest the people of Quebec are. I have not often missed the *carnaval* in Quebec city. I attend almost every year; it is great.

It is not the French people or the Quebecers who cause the problems. One man wants to become a Messiah and the other a hero. Divide and conquer; that is what is now happening. It is unfortunate because the economy of Quebec is not good.

Indeed, it is very bad. I only hope that the Prime Minister, who is a good friend of the Premier of Quebec, will once and for all try to resolve the problems in Quebec, get that province rolling again and the people there working.

Thousands of Quebecers left Quebec to go to western Canada. In fact, my neighbour across the street is from Quebec. He is happy to be in Alberta. His English is not very good. My French is not good either. However, we get along very well as neighbours. We understand each other.

These people have come to western Canada for the same reasons my family came to Canada. It was not necessarily by choice but through necessity in the hope of being able to make a better living. When some of us came to this country, we did not have so much as even a good suitcase. However, those people who came here have worked very hard. They were the pioneers who built this country to what it is today.

The constitutional debate has divided this country more than it ever was before. There has been no need for it. We should have been addressing the economy of this country. I am not against bringing the Constitution to Canada. It is a part of growing up. There is nothing wrong with that. No Canadian is against having the Constitution brought to Canada. However, if it is as complex as some have expressed, why should we bring it here? But this is not so.

We talk about convention, entrenchment and accord. Most Canadians do not even understand what these terms mean. We talk about conventions, traditions and practices. Why not make it so people understand? I will give an example. If we had a non-confidence motion today and the government was defeated, even though it is not provided in the Constitution, the government would resign and an election would be called. This is not in the Constitution; it is a tradition, a practice that is accepted.

As a Member of Parliament, I am very disappointed. If I had known what I know today, it is very questionable whether I would want to be a Member of Parliament and sit in this House. This government is manipulative. We see how the Constitution has been handled and how the government addresses itself to the economy of this country and making the country work. No wonder people are losing confidence in governments and Members of Parliament.

I remember the Prime Minister saying "We will wrestle inflation to the ground" and "The land is strong". I remember when there was hardly any separatism in Quebec or western Canada. We have it today. I remember the day when it was said that we should vote for Pierre Trudeau because he was the only one who can keep this country together. He is the only one who has divided this country and brought separatism not only to Quebec but even to western Canada.

• (1700)

I did not want to say all these things, but I think they had to be said because the people, and speaking especially on behalf on my constituents, if I may express myself, are sick and tired of this Constitution debate and this manipulation. It certainly was not a priority and it certainly is not a priority today either. Without question I feel this is not the end but only the beginning, if Pierre Trudeau has his own way.

I will not take much more time but I would like to say a few words regarding my experience with governments. I was an alderman for about ten years in the city of Calgary. I held all the key positions there are. I have also been a school trustee and an educational bureaucrat at the same time. As well, I have served as an MLA in the Alberta legislature. I have seen people come and go in politics. I certainly do not have to read a book about politics and what makes it work. I have been involved with labour. At the age of 26 I was the president of the Calgary labour council. Speaking of labour, I do not know what the Canadian people have to do so that the Liberal government will get the message once and for all. When 50,000 people come to Parliament to demonstrate about the high interest rates, and they still cannot hear—

The Acting Speaker (Mr. Ethier): Order, please. I would invite the hon. member to address his remarks to the Constitution debate, namely the amendment before the House.

Mr. Kushner: Mr. Speaker, something has to be done about this. It is quite relevant to the Constitution. As I mentioned before, it is quite clear that we should be talking about the economy of the country, rather than debating the Constitution resolution. We should not be wasting our time. We have wasted the whole summer and all of the fall on this Constitution, rather than talking about the economy of this country.

People representing home owners from British Columbia, Manitoba, Alberta, Saskatchewan, Ontario and the Canadian Labour Congress made representations to me last Friday. I asked them, "What would you expect us to do? What should we be doing? I am losing my home. I will be laid off. I have already received notice. These are only some of the things I was told. What do we need to do to get the government moving or doing something about our interest rates, so we do not lose our homes and get the construction industry moving again so people can afford to build and borrow money, which was the situation not that many years ago? The government is saying that it is more concerned with the Constitution and it cannot do anything about high interest rates. To whom should we refer?"

As I mentioned before, this government has completely lost control of governing. It no longer governs. The bureaucrats are governing this country. Should we be writing to the mortgage companies about the high interest rates? Should we be writing to the banks? Should we be writing to foreign countries? To whom do we refer? The government cannot do anything. One begins to wonder who is governing this country.

I cannot over-emphasize the fact that it is the bureaucrats governing this country. The Liberals have completely lost control and it is time they were booted out. Instead of talking about the Constitution, we should be talking about creating jobs and getting the economy moving again.

We have a majority government. We also have majority unemployment, majority interest rates and majority inflation. We have a dangerous situation in the way the government is functioning and practising. I do not know what is the next

move Canadians will be forced to make in order that the government can address itself to the needs of this country.

On Friday thousands of native people found it necessary to demonstrate on Parliament Hill in order to be recognized. They asked that their rights be entrenched in the Constitution, which rightfully should be done.

In conclusion, on one hand I am proud to have had the experience of serving as a Member of Parliament, and of doing my best to see that the interests of my constituents are heard. On the other hand, as I mentioned before, I am most embarrassed and most disappointed to be a Member of Parliament. The way the government has been treating Canadians is disgraceful in that it is not and has not been addressing itself to the needs of this country, but has been fiddling around with the Constitution. Not only has it not created one single job but it has actually cut jobs and it has not given any incentive to this country. Many Canadians have lost millions of dollars in revenue because the government has not faced its responsibility in governing this country.

The Prime Minister did not even have a mandate to deal with the Constitution. I have not received very many letters saying that the Constitution should be a priority, nor did Canadians ask for a change in the Constitution until the government started fiddling with it. The Constitution has served us very well for the last 100 years. I am not saying that we should not bring it back to Canada. I am not saying that at all. However, we should not be doing it in the form we are doing it now.

I shall not take too much more time because I know other members of the House of Commons will be speaking. But I should like to make it quite clear and go on record on this historical day as saying that for one thing I do support the Constitution coming to this country. However, I certainly do not support the way that the Prime Minister has been playing around with it, using it as a toy and as a smoke screen, rather than addressing himself to the economy of the country and finding solutions for the problems we face.

• (1710)

Mr. Jack Masters (Parliamentary Secretary to Minister of Communications): Mr. Speaker, I feel a great sense of pride and history as I stand in the House today to participate in the debate on the Constitution. I have not prepared a formal address, but I should like to pass on some of my over-all feelings about the necessity of addressing the Constitution at this point in time. I only had an opportunity to hear the closing remarks of the previous speaker, but perhaps I will use them as the launching point for some of the things I should like to say for the record today.

We have heard a great deal over the past year as to why we are bothering with constitutional matters when in reality we should be dealing with economic ones. I respectfully suggest that now is a most appropriate time to talk about the Constitution and to talk about it in an economic sense. We are going through a great evolution in Canada. We have come far in such a relatively short period of time as history goes, but I think we can go much farther as we resolve to be one Canada, to be Canadians all, building an even stronger country which we can all enjoy.

To say that to deal with the Constitution now does not really relate to economic problems is inaccurate. We must determine what kind of a Canada we are and what kind of a Canada we want to be. I think Canadians through the constitutional dialogue—and that is exactly what it has turned out to be—have really asked themselves and each other some very difficult questions. They have come up with some very satisfactory answers through the period of discourse and dialogue. As we are about to send the Constitution to Westminster, to be returned to us, we now have a greater strength of purpose and a greater recognition that indeed we are Canadians from coast to coast, from sea to northern sea. It will make it much easier to govern the country. It will make it easier for the provinces to understand their part in building the country. Certainly it will help us as a federal Parliament to understand what we can and cannot do. But the prime consideration is that it reaffirms something we already knew, that we are one country.

The entire process of determining the Constitution has been remarkable. It started off in the eyes of some people as being the dream of the Prime Minister (Mr. Trudeau), his swan song. This is not so. The Prime Minister indicated to the country that it was time to resolve some of our fundamental problems and thoughts about ourselves. He mobilized the country on this subject. He did what he has done so well on many occasions—he exhibited leadership. He had a great deal of support, not only from the Liberal caucus which has made what happened so far a reality, but the support of Canadian people as well.

As we entered into this discussion, we heard a great deal of rumbling from the provinces because it was an uncomfortable subject. The people in some quarters really did not want to talk about it. After all, we would like to deal with matters that are easy to discuss and to resolve; thus we went into the constitutional discussion with mixed feelings. Some people were very enthusiastic because they felt a real need to resolve the Constitution, to patriate it and to produce an amending formula. Some people felt that at this point in time we needed to establish a charter of rights and freedoms. Some other people said, "I think I will have to give up something; I know it is important, I know it will be a long and hard pull, but I do not know if I am prepared for it".

Initially, for whatever reason, not everyone entered into the constitutional debate with a great deal of enthusiasm. But as it moved along, it moved along in the most remarkable manner. I do not know of any other constitutional experience in the world which has had so much public input, public scrutiny and legal scrutiny before the fact, as has the present resolution before the House. While there are things yet to be done, which hon. members on all sides would like to see reconciled, I have confidence in the people of Canada that they will be done. At least we have moved it to the point where we can say that very soon we will have the Constitution, the amending formula and the Charter of Rights and Freedoms—a beginning to do even more with the Constitution.

I should like to return to the area of leadership. As I mentioned earlier, despite the fact that this issue has been a trying experience for some to put it all together, it took the determination, vision and leadership qualities of my leader to bring it to the point where we all take pride in it. There was one game plan which did not quite work out. It went a different route, the committee became involved and so on, but all of us can feel that we have participated in one way or another at a particularly significant point in Canada's history. There was an extremely hardworking joint committee comprised of hon. members from both Houses, from all sides. We listened to 97 groups of witnesses. There were some 1,280 written submissions. There were over 267 hours of debate in committee alone. The earlier resolution had 67 amendments. This indicated that people were now taking the matter seriously. Then it went through the legal process, finally it came to the eleventh hour meeting of the premiers of the provinces, and the accord was reached—nine out of ten provinces agreed to Constitution. We regret that there was not a tenth signature on the accord, but we must remember that in essence Quebec agreed with what was going on. The fact that there were three unresolved items does not take away from the fact that in round figures a 99 per cent agreement was already there.

It became a partisan, political type of subject as opposed to one dealing with the concerns of Quebec. Quebecers have always been good Quebecers; time and again they have proved that they are good Canadians first. I honestly believe that the people of Quebec, if asked the question—and they have been in a poll—want this to happen. We are negotiating some very important and fundamental items which should be included in the Charter of Rights and Freedoms. Before the resolution leaves the country, I sincerely hope that those items will be included.

● (1720)

As I remarked earlier, this is a beginning, not an end. Even if those fundamental items that concern women's rights, that concern aboriginal and treaty rights, are not entrenched in the present charter as all members of the House have indicated they would like, we will at least have the mechanism to enter very quickly into further negotiations. In that way we can continue to build and improve upon this process. I am proud of a system that has allowed the Parliaments of this land, despite the fact that we had to take a hard look at what we were doing and how we were doing it, to come this far.

There have been many sincerely emotional moments in the debates that have taken place. There have been some frightening moments too, such as when the Right Hon. Leader of the Opposition (Mr. Clark) said, after the Supreme Court judgment was delivered, in effect, "Let's put this whole matter on the back burner because now we have time to think about it". I think he has recognized, judging from his subsequent actions and from the way he has behaved in the House, that there comes a moment when you either proceed with a matter of this sort or forget about it.

It would have been a terrible crime to have gone through that year of agony, that year of soul searching, in order to come up with a constitution—to have come that close and then have to say, "Let's forget that and repeat the process somewhere, some time—whenever." That is not happening, Mr. Speaker, I think there is a resolve on the part of members of the House to see that the work begun over a year ago is completed.

I said that I experienced a sense of history in being able to participate in this debate in my own small way. When one has a few grey hairs, one can remember an earlier time. I recall in what was then the city of Port Arthur, in the high schools, public schools and separate school, when we were asked to give our citizenship, that what was meant was our land of origin. We did not put down "Canadian citizen". We had to put down Italian, Scottish, English or whatever, but not "Canadian citizen". I remember very well my pride as a high school student in 1947 when the Citizenship Act was passed—by a Liberal government, I might add.

That was another part of the evolution, Mr. Speaker, saying "Let's define ourselves. Let's recognize that we are a people, that we are not a colony, that we are Canadians. We have fought wars and we have more than proved that we are building a country."

We finally adopted our own flag, not without a debate similar to the constitutional debate; but we now have a flag which we fly proudly and which identifies us to the world as a sovereign nation and as Canadians.

We went on to something else, which is not such a small thing, when we adopted the national anthem, "O Canada". Some day I hope that we will have a Canada Day.

Now we come to the nuts and bolts, Mr. Speaker, a Canadian Constitution. I think the Canadian Constitution that is proposed is an excellent one. It is hailed by other people around the world as the best there is. The Charter of Rights and Freedoms will do much to ensure our freedoms. I know that the opposition to this charter has been to the effect that to put something in writing does not necessarily enshrine it forever because people can do whatever they want with such things, but I think more highly of the Canadian people than that, Mr. Speaker. I think there is a resolve to honour the rights that are stated within the Charter of Rights and Freedoms and I think that we will continue to improve upon it.

We will have patriation of the Constitution so that never again will we have to go to another Parliament to ask permission to change it. We will have an amending formula, which means that the work can continue without the frustration of wondering whether what we want will ever come about. We will have those things and, above all, there will be included in the package the Charter of Rights and Freedoms.

This is a great country, Mr. Speaker, but we take so much for granted. If someone writing a novel described a country like Canada with its narrow fringe population along the border which is comfortable to live in, with its many regions, its many diversities, its people of two main cultures and the multicultur-

alism aspect, the reader would say that it could not work, that it is impossible to do all the things we want. Not only can it work, Mr. Speaker, it does work.

It is going to work much better because we have taken the time now to clear the way for the magnificent future that is just around the corner. I believe that we have been living better than anyone else in the world but there are greater things in store for us. Things will work much better because we have taken the time to look at ourselves, to define ourselves. We have come to the conclusion that we are one Canada, that we can work together. We will have our Constitution and our Charter of Rights and Freedoms to back that up.

Some hon. Members: Hear, hear!

Miss Pauline Jewett (New Westminster-Coquitlam): Mr. Speaker, I too am grateful to have the opportunity to participate in this debate. I believe this is the third occasion on which I have addressed myself to the question of the role of women in Canadian society and to the future equality of women with men in Canadian society. Therefore, like others, I am distressed to discover that what is called an "override clause" has been put in the equality of rights clause, Section 28.

With a lot of my colleagues, I was very glad that many features in the accord that was reached between the first ministers of the provinces and the Prime Minister (Mr. Trudeau) the other day are good ones, are progressive ones, are strong ones and are desirable ones. In that connection I was very happy to read that the new Premier of Manitoba had said that he will certainly not renege on francophone rights in that province or subject them to legislative approval.

Some hon. Members: Hear, hear!

Miss Jewett: There are good things in this resolution, but it is almost heartbreaking to see the legislative override of some of the most fundamental and most important parts of the Charter of Rights and Freedoms. When the proposal was put before the House of Commons I think we all felt that section 15, the equality of rights section outlawing discrimination on grounds of race, colour, religion, sex and so on, and its second component, the affirmative action provision encouraging legislatures to take affirmative action for disadvantaged groups, was one of the strongest parts of that charter. Perhaps it was because there were no women present, or perhaps it was because there were no black people present that the first ministers of this country crippled that section of the charter.

It is all very well to say that a specific act can discriminate only for five years, but to me that almost destroys the intent, the purpose, the symbolism and the substance of that section. To then go on and apparently subject Section 28—which the women of Canada strove so hard to get in the Constitution and which the House unanimously passed in April—to an overriding provision that a legislature or the Parliament of Canada could deny the very rights and freedoms referred to in this charter guaranteed equally to male and female persons and that the government would do this apparently as an oversight, that it had not really thought about Section 28, the section to which Parliament gave a great deal of thought, adds insult to injury.

● (1730)

Hon. members will remember that the very day after the accord was signed I asked the Prime Minister (Mr. Trudeau) whether Section 28, the section guaranteeing women's equal rights with men, was included. I remind you, Mr. Speaker, that the Prime Minister said:

> I can only answer that my impression is that the clause would continue. I have not been involved in the drafting which went on between provincial and federal officials yesterday afternoon and, I believe, during the night as well.

He went on to say:

> There were some deletions, and aboriginal rights was one of them. Maybe the other clause was another. I am not sure. I will have to check that, and that is why I say I will see what was done on the drafting over night.

A few days later a writer for *La Presse* said:

[*Translation*]

> Questioned in that connection on the day following the constitutional conference by a NDP member, Miss Pauline Jewett, Mr. Trudeau admitted his lack of concern.
>
> Mr. Trudeau remembered that he had sold off native rights. However, he only had a vague idea about women's rights. We know that women are rather unimportant. A mere bunch, I tell you—

[*English*]

It was, of course, tragic that Section 34 affirming the rights of the native peoples, the aboriginal peoples of Canada, was dropped. At least they were remembered long enough to be dropped. Women were not even remembered.

Let us take a look at what the provincial premiers have said in the few weeks since while struggling to get back on side. Their comments vary from that of the Premier of New Brunswick saying there had been no discussion at all of Section 28, that their intention in the accord was to have Section 28 remain intact, with no override, as a statement of the equal rights of women with men, to that of the Premier of Alberta saying, first, that he was not sure whether or not Section 28 had been discussed, and then saying later that he had not intended that it be subject to the limitation that we have been calling the override, which would take the guts right out of it. We find Premiers Bennett and Davis saying that it certainly was not their intention to take out that section, and we find the officials saying that "it had been a drafting error".

I think we might all come to the conclusion that no one seems to know whether they discussed this section, although the balance of the evidence seems to be that the first ministers did not discuss it. However, if they did discuss it, the impression most of them give is that they wanted Section 28 to remain intact, symbolically and substantively. No one has come forth publicly and said that this section was to be overriden as Section 15 was overriden.

I would suggest to you, Mr. Speaker, and to fellow members that we could appropriately, given this incredible confusion, pass the section in its original form in which we saw it in April. As I understand it, it is not part of the accord that it should be overriden, given what all of the premiers have said.

But what does this tell us about the position of Canadian women in society? Are we simply a detail, a drafting error? I noticed that we were recently blessed with the neanderthal wisdom on the editorial page of *The Citizen* of Ottawa. The editorial was headed "Fix the details later". The editorial reads:

> The complaints by various women's and native organizations about the constitutional resolution now before Parliament are not sufficiently persuasive—

Let me emphasize the words "the complaints". We are talking about our very rights as human beings, in the case of women, the women's human right to equality, and in the case of the native peoples of Canada, their rights as the original peoples of this country. This editorial is talking about these as complaints. That is why a great many of us are distressed by the possibility that eviscerated Clause 28 will remain. Not a single member of this House, barring the Prime Minister and the Minister of Justice (Mr. Chrétien) who were the negotiators, should support Section 28 if this override remains in it.

Some hon. Members: Hear, hear!

Miss Jewett: Not a single member of this House should support it. But if any members do support it, do you know what they would be doing, Mr. Speaker? It would mean that we would be taking an enormous backward step, we would be denying the principle of equality of men and women. We would not have even the status quo. We would be going farther and farther backward.

I hope the minister responsible for the status of women agrees. I believe she does. I hope she does. She was not part of the negotiations. I do not know whether she asked, but she certainly did not know what had happened to Section 28. I hope that neither the minister responsible for the status of women, nor any woman nor indeed any member, would support this section unless the amended version that we are discussing today is brought in by the government itself on the ground that the cheapening of Section 28 was not intended in the accord.

For those who would argue that they can only accept the quality of women conditionally, I believe that they too are saying that they do not believe in the fundamental principle of equality of women with men. They are denying, as I said a moment ago, women's human right to equality. It is a goal to be achieved because we do not have it yet; it is a goal to be achieved in and of itself. That is how a lot of us see the original Section 28. We see this, as I say, symbolically as an expression of the equality in our society of men and women, their entitlement equally to the rights and freedoms in the charter. We see it that way, as I say, symbolically. We also see it as a section in its original form of enormously important substance, because we do not in fact have equality, and when I say "we" I mean women. We do not in fact have equality today. Therefore, Section 28 becomes a goal to achieve.

● (1740)

For those who worry that affirmative action programs would somehow be ruled out by Section 28, I can only say that as long as an affirmative action program is a program that will help to achieve what is in Section 28 there is no conflict whatsoever, and Section 15(2) and Section 28 would be in harmony.

Similarly, if there is a discriminatory act under Section 15(1), and it is a positive act which is helping to achieve greater equality for those who do not have it now, then it too would fall within the ambit of the broad statement of equality in Section 28.

The fears then, it seems to me, although legitimately raised, are not legitimately founded. As a previous speaker said, there should be no taking of credit; every woman's group in Canada had a great deal to do with getting the paramountcy clause, as I call it, Clause 28, included in April. I personally think the former minister responsible for the status of women had a great deal to do with getting the clause in.

Miss MacDonald: Right on.

An hon. Member: He sure did.

Miss Jewett: Every time he spoke, he turned another million Canadian women into feminists.

An hon. Member: The Lloyd works in strange ways.

Miss Jewett: While I am not going to single out, with that exception, who made such enormous contributions to the whole concept and principle of equality of the sexes, I must with sorrow express my regret that, with the exception of the present minister responsible for the status of women, and I am sure, although I do not know, the present Minister of National Health and Welfare (Miss Bégin), no other woman on the Liberal side has engaged in this battle. They were not present at the famous February convention. They were not present at rallies in the past two weeks through which we have been trying to get the clause restored in its purity, and they were not even present today, with one exception, when the minister responsible for the status of women spoke. Have the women of the party been speaking outside the House, holding rallies and organizing? I am very distressed to say they have not. It seems that they have become gagged. Even in Quebec—

[*Translation*]

Three days ago, an article appeared in the newspaper *La Presse:*

> A gentle Yvette. The organizer of the Yvettes' movement, Mrs. Louise Robic, slightly worried the Liberals by insisting that the government account for its failing to entrench women's rights. Canadian women want to know what happened to their rights and freedoms . . . "A lot of women will be suffering from ulcers", she said.
>
> What could have become a real dispute did not last long however because Mrs. Robic, as befits a good liberal, readily accepted, Mr. Chrétien's arguments. And she added: Well, we must fight the provinces, not the women of Quebec or Canada.

[*English*]

What can we do? I said a moment ago that the constitutional accord, or much of it, was worked out in the kitchen between the Attorneys General of Saskatchewan and Ontario

and the federal Minister of Justice—if ever there was a time when a woman should have been in the kitchen!

Some hon. Members: Hear, hear!

Miss Jewett: Much of it was drawn up, as indeed the whole accord was, without giving that kind of thought to the needs and the rights of the native peoples, the disabled and certainly of women, and I guess that proves once again that much as others may sympathize—goodness knows, many men do—when they get down to their negotiating and dealing, they do not think of the other half of the population not represented, and they do not think of the disadvantaged. Those thoughts are not paramount.

Therefore, as far as women are concerned, we must once again have our own party develop affirmative action programs, and develop them now, with the party leaders at all levels and the committees in every constituency saying: We must have 50 per cent of our candidates women.

Some hon. Members: Hear, hear!

Miss Jewett: That kind of action must be taken, and not just in the weak ridings. Since the kitchen-created Constitution was influenced enormously by officials, federal and provincial, only two of whom to my knowledge were women, clearly we must have an affirmative action program now in the federal public service of Canada to ensure that women are pulled up—and there are lots of bright women there—and put in positions of responsibility and authority. The federal government did it once, and rightly so, when it discovered that francophones constituted only 7 per cent or 8 per cent of the senior public service. The federal government did it just by saying: That will not do. I do not believe there was even a written edict; it was just the Prime Minister saying: That will not do. That is the kind of leadership women have not had from the men of Canada in the Liberal Party and government. There has to be affirmative action there. Clearly, it is in the senior ranks of politics and the bureaucracy that power resides.

• (1750)

Despite the evisceration of this document, the Supreme Court of Canada will still have a role to play, and it must also be changed. There must be women on the Supreme Court of Canada as well, and this has been argued before. That should be the next fight.

The lawyers who will be working to interpret this Constitution in various cases will, I am confident, be increasingly more balanced as more women graduate from law school. As I have said, the fact that there are more women graduating from law school is one of the most exciting things which has happened in recent years.

I read an article today by Michèle Landsberg of the *Toronto Star* entitled "Help wage war for women's equality". It is an excellent article and I recommend it to all Members of Parliament. In that article she suggests that there be a women's watchdog in Ottawa to protect our equality rights. Right now the best watchdog in Ottawa is the ad hoc committee. I would also approve of that suggestion. I believe that until we have a strong if not equal, or perhaps for a period more than equal, representation in this House of Commons and in provincial legislatures, such as in Manitoba where women members constitute 12 per cent, and in the bureaucracies both federally and provincially, I do not believe we will be able to ensure that the indifference and neglect to the fundamental principle of equality of women will be seriously addressed. As I have said, I hope that the government will realize that since the dismantling of Clause 28, according to most of the premiers, was not part of the accord, it can proceed and we can proceed in Parliament.

It is true that it was neglect and indifference that made this so, but it provides us with a chance to benefit from it. We must remember, as the hon. member for Provencher (Mr. Epp) said a moment ago, that as important as the two orders of government are in this country, because it is a federal system, it can be said there is a third order. That is the people of Canada who are represented by various groups and many organizations. During the last year, we have certainly seen that third order in operation, as far as the women of Canada are concerned. I wonder if the provincial premiers have ever read the marvellous briefs that were prepared for the Joint Committee on the Constitution by women's groups and other groups all across this country. I wonder if they know that there is a third order, which is the people of Canada represented by these diverse groups.

Finally, I submit that if we do not restore Section 28—and all of what I have said applies to Section 34 concerning the rights of the aboriginal people—it will go down not as an important day in Canadian history but as a day of infamy. I do not believe that is too strong a word to describe this.

I hope that when the women of Canada have 95 per cent of the representation in the House instead of the 5 per cent they now have, and when we hold 100 per cent of the premiers' places instead of none, and if, as may well be, we are pioneering a new constitutional accord, I hope and I am indeed confident that we will not treat the other half of the population with the indifference, injustice and complacency which so many of their number have inflicted upon us. That is a promise.

[*Translation*]

Mr. Marcel Dionne (Chicoutimi): Mr. Speaker, as I would like to deliver my speech at one go, could I call it six o'clock. Consequently, I would be able to speak again when the House resumes at eight p.m.

The Acting Speaker (Mr. Ethier): Does the House agree?

Some hon. Members: Agreed.

The Acting Speaker (Mr. Ethier): As it is six o'clock, I will leave the chair until eight o'clock.

At 5.56 p.m. the House took recess.

The Constitution

AFTER RECESS

The House resumed at 8 p.m.

Mr. Deputy Speaker: When the House recessed at six o'clock, the hon. member for Chicoutimi (Mr. Dionne) had the floor.

Mr. Dionne (Chicoutimi): Mr. Speaker, the least we can say about this debate on the patriation of the Canadian Constitution is that it has taken on a major dimension. First, I wish to pay tribute to the Prime Minister (Mr. Trudeau), who has shown great determination as well as great flexibility in obtaining the agreement of nine provincial premiers for his plan to patriate our Constitution. It is with pride that I remind this House that it was a Liberal Prime Minister, Mr. Pearson, who with courage and tenacity defended the proposal that gave our country a distinctive flag. His successor, again a Liberal leader, is helping to make the dream of so many Canadians, to patriate our own Constitution, come true at last.

I am convinced that history will keep this event alive in the memory of all Canadians for generations. However, I realize that at this stage, there is still a feeling of dissatisfaction. I am a Quebecer, and the government of my province has refused to agree to the plan to patriate our Constitution. I am disappointed, because during the three days when the Prime Minister of Canada and the ten provincial Premiers were meeting, there were a few moments when it seemed that this fifty-four year-old struggle, this quarrel that in a year had taken on gigantic proportions, would finally be resolved.

Like all observers, and especially as a Quebec Member of the Parliament of Canada, I was glad to hear the news given out Wednesday noon at the conference that there was finally agreement between Quebec and the Government of Canada, something we had spent ten years waiting for. And like everyone who was following the conference proceedings, I was disappointed to hear a few hours later that the agreement has failed. Later, we heard that there had been a flood of telephone calls at Premier Lévesque's office in Quebec City. It seems these were from anti-Canadian elements who could not imagine Quebec otherwise than separated from the rest of Canada. What can you expect, Mr. Speaker, when people are subject for six months to deceitful propaganda, under the slogan: "Don't be had"? Of course people were going to think that if there was an agreement between Quebec and the Canadian Government, Quebec was going to get the short end of the stick. In any case, the people who were had were the people who believed this deceptive propaganda.

One must not forget that Quebecers have sent seventy-four Liberal members to Ottawa to defend their interests. Quebecers are represented by thirteen ministers in cabinet. Quebec's influence on the affairs of Canada is greater than ever before. That is why we, the seventy-four Quebec members of the caucus, asked the Prime Minister (Mr. Trudeau) to consider the objections expressed by the delegation of the Province of Quebec. As a Quebecer and as a Canadian, I could appreciate the position taken by the Quebec Liberal Party in the National Assembly. In fact, it shows that in the National Assembly in Quebec City, there are elected representatives who will point out to the Péquistes that contrary to what they would have Quebecers believe, the Canadian Government is trying to get Quebec out of its isolation.

In a speech the Prime Minister delivered held in Quebec City on November 14, he showed that he was willing to take into consideration each of the objections expressed by Premier Lévesque. He was asked to reconsider the matter again by us, the members of his caucus. In fact, with hindsight, it is hard to understand how the Quebec representatives at the conference in Ottawa managed to isolate themselves. It was supposedly to defend Quebec's interests that Premier Lévesque joined the Premiers of seven other provinces, and so, if the eight provinces were agreed to oppose the federal government on a number of points, it would be normal for all eight provinces to agree to the patriation plan if those points ceased to exist. I was present at the Conference Centre in Ottawa on Thursday, when Prime Minister Trudeau and the Premiers of the nine provinces stated that they had reached an agreement. Witnessing this historical moment, I could hardly conceal my disappointment when Premier Lévesque annonunced that he refused to sign the agreement, explaining that three major objections prevented him from giving his approval to the accord.

Mr. Speaker, perhaps I may be allowed to review each of the objections formulated by Mr. Lévesque. The first one concerned the withdrawal of the compensation clause. Well, the next day, Quebecers were assured that Quebec would be able to benefit from the compensation clause in certain cases. The Quebec members asked the Prime Minister to be flexible, and he was. In fact, the Right Hon. Prime Minister clearly indicated on November 14 that he would agree to Quebec receiving fiscal compensation if they refused to participate in a federal program on grounds that it affected the French language or the French culture in Quebec. The Prime Minister of Canada agreed that if the nine English-speaking provinces were to decide to waive their jurisdiction with respect to post-secondary education, it would be normal for Quebec to refuse to agree to this measure and that it would receive fiscal compensation. Can Mr. Lévesque be against that? On the other hand, if the federal government decides to set up a program which would benefit all Canadians and which would be financed by the richer provinces, the latter would have no right to refuse. At the present time, Quebec is certainly not a rich province, and if we were to develop a pension transfer program applicable throughout Canada, for instance, I believe that it would be in the interest of Quebecers for the rich provinces not to be able to opt out of this program. Since Quebecers would benefit from this program, how could they be against it?

• (2010)

Mr. Lévesque's second objection concerns the mobility clause. The Charter of Rights and Freedoms will assert the principle of the free movement of goods and individuals all across Canada. This is the basis of what could be called a Canadian common market. This principle is essential to the economic development of Quebec and the other provinces. Some have pointed out that workers from the other provinces could come and work in Quebec, but is it not a fact that thousands of workers from Quebec, Ontario and the Maritimes travel to Alberta to look for work? Experience has shown that whenever a province puts up barriers to protect its workers, its trade and its industry, the other provinces reciprocate.

We will recall the dispute between Ontario and Quebec in connection with the building industry. Yet, the Prime Minister has told the Quebec government that he was willing to seek for other formulas to accommodate the legitimate concerns of a province. He has recognized that Newfoundland may take special steps in this regard as long as the unemployment rate remains higher in that province than in the rest of the country. The Prime Minister of Canada has thrown the ball into Mr. Lévesque's court by saying that Quebec could take special action if it were literally invaded by English-speaking workers from other provinces. Can the Quebec premier reject this proposal? In case there remains a doubt in his mind, I am putting this question to the Quebec premier. He wants to replace Canadian federalism by some type of common market. Yet, Mr. Lévesque should know that measures to restrict the free movement of goods and individuals are forbidden in the European market. There is neither relaxation nor special regime for anyone. All Canadians are equal. Our Canadian charter to which Mr. Lévesque has so many objections is therefore finally more flexible in its application than the Treaty of Rome on which it is based. You will note that he does not refer to this example now as much as he used to.

I would like to know what he would reply to those Quebec workers who could get a job in Alberta but would not be able to do so because of provincial barriers. A worker of Ville de la Baie said to me that the Quebec government was holding Quebecers as hostages, but I told him that if the proposed charter is adopted, he can invoke the clause guaranteeing the mobility rights of workers.

Mr. Speaker, once the principle of the free movement of goods and individuals is no longer accepted in a country, then it no longer is a country. Finally, the last objection raised by Premier Lévesque concerns the clause on education in the language of the minority. Mr. Speaker, the charter will put an end to the iniquities of which French-speaking Canadians in other provinces are victims. Because of the economic slowdown in Quebec, which is actually the responsibility of the Quebec government, thousands of Quebecers have had to leave Quebec to find work in Alberta, for instance, as well as in other richer and more prosperous provinces.

That Quebecer will have the entrenched right to send his children to a French school. French-speaking citizens in New Brunswick, Nova Scotia, Prince Edward Island, Ontario, Manitoba, Saskatchewan and Alberta will finally have the right to send their children to French schools. Is the Quebec Premier opposed to that? Would it be that we, Quebecers, did not fight long enough to obtain that for francophones in English-speaking provinces? Admittedly, Quebec has no lessons to learn on how to treat language minorities. However, the Prime Minister feels that Quebec could implement the Canada clause to ensure that schools do not become an anglicizing factor in Quebec. Mr. Speaker, I take this opportunity, mainly for the benefit of the people in my area, to quote the Canada clause, which entitles to education in the minority language. I shall give a textual quote, so that people realize what actually is in that clause.

Section 23 deals with the language of instruction and is often said to be unfair to the people in Quebec:

> 23. (1) Citizens of Canada
>
> (*a*) whose first language learned and still understood is that of the English or French linguistic minority population of the province in which they reside, or
>
> (*b*) who have received their primary school instruction in Canada in English or French and reside in a province where the language in which they received that instruction is the language of the English or French linguistic minority population of the province.
>
> have the right to have their children receive primary and secondary school instruction in that language in that province.
>
> (2) Citizens of Canada of whom any child has received or is receiving primary or secondary school instruction in English or French in Canada, have the right to have all their children receive primary and secondary school instruction in the same language.
>
> (3) The right of citizens of Canada under subsections (1) and (2) to have their children receive primary and secondary school instruction in the language of the English or French linguistic minority population of a province
>
> (*a*) applies wherever in the province the number of children of citizens who have such a right is sufficient to warrant the provision to them out of public funds of minority language instruction; and
>
> (*b*) includes, where the number of those children so warrants, the right to have them receive that instruction in minority language educational facilities provided out of public funds.

This, Mr. Speaker, is the contents of Section 23 that is so controversial in areas such as mine. Mr. Speaker, how can Mr. René Lévesque oppose such a proposal? As may be seen, Mr. Speaker, we were successful in the representations we, as members from Quebec, made to Prime Minister Trudeau that Quebec's goals be taken into account. The Prime Minister accommodated the PQ government and he yielded on every point. And we finally told ourselves that the PQ government could no more withhold their consent, since every obstacle had been put aside. But Premier Lévesque answered with new demands in the form of an ultimatum. I think the leader of the Parti Québécois finally will be seen by the people as he really is. He said he supported sovereignty-association, we learned this week he would drop the hyphenated association. In other

words, he is a separatist. The only surprising thing is that he took so long to admit it himself.

Mr. Speaker, there are other questions I would like to raise. I would like to stress that Quebec isolated itself at the Quebec conference, when it proposed the Vancouver formula as opposed to the Victoria formula. I also suggest, Mr. Speaker, that Mr. Morin himself proposed that formula in the names of the eight Canadian Premiers, and, of course, that formula today deprived Quebec of the right of veto that had always been recognized. As a member from Quebec, I am deeply disappointed at such an attitude because Quebec has been pursuing a course that isolates it more and more from the other provinces, and deliberately refuses to negotiate with the Canadian government. On the other hand, the people of Quebec cannot but realize that the Right Hon. Prime Minister has been very openminded and quite accommodating. Unfortunately we cannot say the same thing about the Premier of Quebec. What happened, in my opinion, is that the Parti Québécois was taken over by the separatists who want Quebec to separate from Canada. That is why they will try to say that the others manœuvred and plotted against them whereas they are the ones who isolated Quebec because that is what they want in the first place.

This is where we find the first tactical error of the PQ government. It was sure that the Ottawa conference would end in failure, it so grossly underestimated the pressure of public opinion on the seven premiers to reach an agreement with the government of Canada that from the outset it joined forces with anybody who was against the resolution. Watching them from Ottawa it was almost funny to see Premier Lévesque plotting with Mr. Lyon, the former Manitoba premier who has never had much use for French Canadians. Had they been given the chance, I think that the PQ supporters would have enlisted Leonard Jones, the former mayor of Moncton. And yet, French culture and language had meant so much to PQ supporters they should have sided with Mr. Trudeau, Mr. De Bané, Mr. Joyal, Mr. Chrétien and the 74 Quebec members. The position of our party on the question of upholding the rights of francophones in all provinces is clear. The electors of Quebec know where we stand and that is why they have given us their massive support since 1968.

No, the PQ strategists preferred to make a common front with people who had been very lukewarm about the rights of francophones in their own provinces. Indeed, perhaps this was right up their alley since Premier Lévesque never did propose anything to improve the Charter of Rights and Freedoms. Did the premier of Quebec try to better the lot of francophones outside Quebec, at least those who reside in the provinces of his seven former allies? It seems to me that Premier Lévesque should have insisted that Mr. Lyon, Mr. Peckford and Mr. Lougheed, the Premier of Alberta where so many Quebecers are going, agree to grant more rights to the francophones in their provinces. Did Premier Lévesque insist that Ontario recognize Section 133 so that province would acknowledge the rights of francophones? No, he was not even interested. For the first time in our history the government of Quebec, which prides itself for being the most nationalist, utterly disregarded French-speaking minorities outside Quebec. The Arabs, the Moslems and the Jews fight for their minorities, but not the PQ government. Well, the government of Canada will do just that.

In addition to that, we are going to fight for the interests of Quebecers. Of course there are nationalists who ask how and by what right the 74 Quebec members can fight for the interests of Quebecers. They are not asking by what right is the PQ government sulking by its lonesome self. They are not asking by what right does the culture minister refuse to attend a conference with his provincial counterparts. The PQ government has decided that it will boycott everything other than finance ministers' conferences. Up until now, the PQ has refused to take part in negotiations to improve upon the patriation proposal or the proposed Charter of Rights and Freedoms. Well, Mr. Speaker, the 74 members from Quebec, under our leader, the Right Hon. Pierre Elliott Trudeau have decided to defend the interests of Quebecers and give them a better deal. The PQ refuses to stand up for the rights of Quebec. But, the opposition leader and his party in the National Assembly are prepared to do so. Editorials in *Le Devoir* and *La Presse* have urged Premier Levesque to defend the rights of his province and have even indicated that he has no other choice. Finally, we the 74 members from Quebec, have played our part in our party caucus. We continue to defend the interests of Quebec by formulating Canada's position with regard to the ten other provinces and by taking part in this phase of the debate.

I take exception to the PQ and its claim that it has the sole God-given right to defend the interests of Quebecers. Following a few scandals, people now realize that what comes from the Parti Québécois does not necessarily come from heaven. The electorate is becoming aware that its interests with respect to constitutional matters were not well defended by the PQ and that they only have themselves to blame. We must remember that it was Premier Lévesque, the leader of the Parti Québécois, who gave up, on behalf of Quebecers, Quebec's traditional right to veto. It is not Prime Minister Trudeau nor the 74 Quebec Liberal MPs who deprived Quebec of its right to veto. No, it is the PQ who was quite happy to relinquish that right in order to please Messrs. Lyon, Bennett and Lougheed. They gave up Quebec's right of veto in order to join the gang.

Quebec's image as an important province and one of the oldest provinces has become a thing of the past, no thanks to the Péquistes.

Looking at these facts, one wonders whether the Péquistes are sulking. I think they are so ashamed of their stupid mistakes that they are afraid to come out into the open.

And meanwhile, the people in Quebec are starting to feel the adverse effects of the Parti Québécois' poor administration. Taxes are too high in Quebec, and the provincial government is to blame. The separatist government has caused companies and their staff, which means big taxpayers, to leave the province. There are increasingly fewer businesses that are interested in settling in Quebec, and it might well be said, if it were not for the presence of Quebec members and Quebec ministers in the Parliament of Canada, things would be even worse than they already are.

Finally, Mr. Speaker, I feel that Quebecers are going to realize that the separatist government has no valid reason for refusing to agree to the plan to patriate the Constitution. If the separatists feel that the accord is unacceptable, they will have to prove it. They will find out that the people in Quebec are not willing to be separated from Canada. They will also find out that Canada is more important than the separatist party.

• (2020)

[*English*]

Mr. Bill Wright (Calgary North): I am proud to be able to participate in this historic debate not only because our Constitution is the embodiment of our laws but because each one of us should be on record as to our true feelings related to this resolution. First, I should like to congratulate all members of the joint constitutional committee not only for their contributions but for the personal sacrifices they made. The committee sat for over 300 hours, held 106 meetings and heard 314 witnesses, and to add to this, spent countless hours of reading to which every member of the committee was committed. I would also like to pay special thanks to our committee members, headed by the hon. member for Provencher (Mr. Epp) who worked diligently to present our case.

I would like to review some of the things which led up to the present dilemma we are facing. In Canada, the Canadian Constitution consists of the British North America Act, the Statute of Westminster 1931, numerous other acts, conventions, customs and traditions and rulings from the Supreme Court of Canada. The British North America Act, 1867, among other things set out the division of powers between the provinces and the federal government. Previous meetings which drafted this act set out the alternatives with which the Fathers of Confederation were confronted when they attempted to draft an act that would create a new nation. They had a choice of creating a nation which was legislative in form or a nation which was federal in form. By "legislative in form", I mean a nation which is run from one central government, with all other elected bodies subservient to the federal government. The other form is the federal system where the power is divided between the provinces and the federal government. The Fathers of Confederation chose the federal system. This federal union recognized equality of all provinces irrespective of population and size. At the meetings drafting the report which would be presented to the British Parliament, each founding province—Ontario, Quebec, Nova Scotia and New Brunswick—all had one vote. Also it is significant that the British North America Act, as enacted by the British Parliament, upon the direction of Canadian provinces did not confer upon the federal government any power to amend the Constitution of Canada, even though each province was given power to amend its own constitution within its own sphere, except as regards the office of lieutenant-governor.

• (2030)

Down through the years many changes have been made to the British North America Act. At no time has the British Government ever refused a request by the Canadian Parliament to change the Constitution, although from time to time the British Parliament has made small changes in the presentation. The federal government indicated that the British Parliament has never passed an act submitted by one or more of the provinces, but on the other hand never have any provinces submitted changes to the British North America Act to the British Government. Also the Canadian government argued that it does not have to consult the provinces in order to present a resolution to the British Parliament, but in fact the Canadian government has never presented a resolution to the British government without the agreement of the provinces which would be affected, and history tells us that on numerous occasions the provinces have intervened to change or withhold proposed resolutions.

The obligation of the British Parliament is not only to deal with the resolution but to determine whether it is a proper resolution. It is not its intention to interfere with the meaning or thrust of what the resolution would do to Canadian people. However, its obligation is to consider whether it can properly accept the resolution. Also it is within the sphere of the British Parliament to vote against this resolution because in effect the resolution asks the British Parliament to enact an act of its own, within its own Parliament, on which only it can make a decision. We must understand clearly that only the British Parliament can decide whether it will pass a bill which affects its relationship with another sovereign nation.

Let me deal briefly with the events leading up to the dilemma we are in today. In other words, can we amend our Constitution and, if not, why not? It should be clearly understood that Canada is a sovereign nation, able to pass laws and to deal both internally and globally with other nations and other people. However, the British North America Act did not make any provision for amendment to the BNA Act other than that all amendments would be presented to the British Parliament and all amendments would, in turn, be considered by the British Parliament and voted upon in both House of Commons and the House of Lords. The Statute of Westminster, 1931, was a bill passed by the United Kingdom government to remove the last vestiges of colonialism. The Statute of Westminster, 1931, was an act of the Parliament of the United Kingdom which formally acknowledged the sovereign and co-equal constitutional status of the United Kingdom, Canada, Union of South Africa, Irish Free State, Newfoundland, Australia and New Zealand. The statute indicated in Section 2 that no future legislation introduced by the United Kingdom government would be enacted without the express request and

consent of one of the previously mentioned nations. But in reality the prime purpose of the Statute of Westminster was to nullify the Colonial Laws Validity Act of 1865, which in itself prevented any of the dominions from enacting any changes to the constitutions which would be redundant to the Parliament of the United Kingdom.

It is interesting to look at events leading up to this statute. The first step toward the enactment of the Statute of Westminster dates from the imperial conference of 1926 when special consideration was given to various legislation of the dominions. A number of general principles were laid down, and it was agreed that a Commonwealth committee should be set up to inquire fully into these matters and to make recommendations to a subsequent conference of Commonwealth nations. In the autumn of 1929, the proposed committee met at a conference to discuss the Colonial Laws Validity Act, Dominion legislation, merchant shipping legislation and other minor items. It drafted a report which would in future contain many of the sections of the Statute of Westminster. The conference recalled that Canada alone among the Dominions had no power to amend its Constitution Act without legislation being passed by the Parliament of the United Kingdom. Following the conference, the report was considered fully in many parts of the Commonwealth. In Ottawa a debate took place in May 1930, when the federal government asked the House of Commons for approval of the report. The document was subjected to careful scrutiny, and the Conservative opposition objected to it on the grounds that formal consent should be obtained from the provinces.

There were a number of items which were wrong with the report, such as its suggestion that provincial legislation should continue to be subject to the Colonial Laws Validity Act and to the legislative supremacy of the Parliament of the United Kingdom, while federal legislation was to be freed from the act. In the following September, shortly before the opening of the imperial conference called to consider the report of 1929, Howard Ferguson, the Premier of Ontario, forwarded to the then prime minister of Canada a letter accompanied by an elaborate memorandum. I should like to read the record of that letter and refer interested readers to the memorandum which dealt with the powers of the provinces vis-à-vis the federal government. By this time, however, a new federal Conservative government had been elected, so the letter and the memorandum were addressed to Prime Minister R. B. Bennett. It read:

My dear Mr. Prime Minister:

You will recall that in some discussions we have had with reference to the report of the imperial conference, and, in particular, the recommendations made in the report of 1929, I have endeavoured to make clear to you the attitude of the Province of Ontario.

The conference appears to have ignored the fact that the confederation of the provinces of Canada was brought about by the action of the provinces. Our Constitution is really the crystallization into law by an imperial statute of an agreement made by the provinces after full consultation and discussion. The province of Ontario holds strongly to the view that this agreement should not be altered without the consent of the parties to it.

On behalf of this province I desire to protest most vigorously against any steps being taken by the dominion government, or the imperial conference, to deal with the provincial treaty until the matter has been submitted to the provinces and they have had ample time to give this subject proper consideration.

To pursue the course indicated by the report of 1929 will not only greatly disturb the present harmonious operation of our Constitution but I fear may seriously disrupt the whole structure of our confederation. Ontario is genuinely alarmed by the situation and I urgently urge upon you, representing the Dominion, and through you upon the imperial conference, that this whole matter be left in abeyance until it can be dealt with in a proper manner, and to the satisfaction of the parties to the original compact.

I am enclosing to you, herewith, a memorandum which embodies a brief from the story of Confederation, together with the views of a number of public men who are leaders in the movement; interpretation of the courts upon the status of the province; and the recent trend of the Dominion authorities upon the question.

● (2040)

With the story as a background I am sure that a perusal of the reports of the last two conferences will convince you that the provinces have ample ground for serious alarm.

Yours very truly

G. H. Ferguson,
Premier of Ontario

I submit that all school children should read that letter, Mr. Speaker, so that they may understand what the Prime Minister (Mr. Trudeau) has been trying to do for the last eight or ten months—in fact, for the last year.

Soon after the Premier of Ontario had written that letter, Quebec and a number of other provinces requested the federal government to refrain from any constitutional changes without consultation. A federal-provincial conference was held in April 1931 and it agreed unanimously to a draft report of a Statute of Westminster and agreed to a special Canadian clause which became Section 7 of that document. It reads as follows, in three parts:

1. Nothing in this act shall be deemed to apply to the repeal, amendment or alteration of the BNA Acts, 1867 to 1930 or any order, rule or regulation made thereunder.

2. The provisions of Section 2 of this act shall extend to laws made by any of the provinces of Canada and to the powers of the legislatures of such provinces.

3. The powers conferred by this act upon the Parliament of Canada or upon the legislatures of the provinces shall be restricted to the enactment of laws in relation to matters within the competence of the Parliament of Canada or any of the legislatures of the provinces respectively.

Later, Prime Minister Bennett explained to the House of Commons why this conference was held. He said:

It is not necessary at this time to relate fully the attitude of the provinces, but they agreed that inasmuch as their constitutional rights as defined by the original act might be amended, in the opinion of the governments of those provinces, by this Parliament by a majority vote, they should have an opportunity before any such action was taken to present their views and make known their decisions.

In other words, the opinion of the provincial governments that their rights might be affected was therefore considered by the federal government of the day as sufficient grounds for provincial-federal consultations.

In June 1931 Prime Minister Bennett introduced a joint address to the U.K. government. It is interesting to note that at that time the Liberal opposition asked to make an amendment to have paragraph 2 and paragraph 3 of Section 7 reversed, but the Prime Minister stated that since the repre-

sentatives of the provinces had initialled the various sections, the federal government was honour-bound not to change a single letter.

In considering my case further, I refer to the Employment and Social Insurance Act of 1935. The first change in the Constitution, which affected the division of powers, took place in 1935 when the Conservative government passed the Employment and Social Insurance Act. The Liberal opposition opposed the bill because it thought the bill should have been made by an amendment to the Constitution and after consultation with the provinces.

Shortly after the new legislation was enacted, a general election was held and the Liberal Party came to power. One of its first actions in the fall of 1935 was to refer the bill to the Supreme Court of Canada for an advisory opinion. By a judgment on June 17, 1936 the act was declared to be ultra vires of the federal Parliament. At the opening of the session in 1938 the Speech from the Throne announced that the provinces were being consulted to make the Employment and Social Insurance Act an amendment to the British North America Act.

On June 25, 1940, Prime Minister Mackenzie King announced in the House that all nine provinces had assented to the proposed constitutional amendment. In speaking to the resolution, Prime Minister Mackenzie King, as reported at pages 1117 and 1118 of *Hansard*, 1940, said:

> The difficult but most necessary part of the whole business was to get the consent of the several provinces. That has not been an easy matter.

He said further:

> —we have avoided the raising of a very constitutional question, namely whether or not in amending the British North America Act it is absolutely necessary to secure the consent of all the provinces, or whether the consent of a certain number of the provinces would of itself be sufficient.

There have been other changes to the BNA Act, namely, changes to the Canadian Pension Plan, which the federal government was able to achieve with the consent of the provinces. Quebec was given the opportunity to opt out. This brings me up to the present time, Mr. Speaker. This resolution was originally brought forward on October 2, 1980. Since then the role of the opposition has been clearly identified.

What has been the role of the official opposition? First, it has been to ensure that there would be a full and objective debate in the House of Commons. We attempted to have that full debate, until the government brought in closure.

Second, we ensured that all Canadians would be aware of this event by having it televised. Hon. members will remember how the Liberals tried to prevent that.

Third, we ensured that interested citizens were allowed to appear before the Joint Committee on the Constitution. The committee hearing lasted for three months, and hon. members are well aware of the number of groups that were turned away by the Liberal members of the committee who were afraid of some of the things that were coming out. They wanted to close off debate so they stopped these groups from appearing before the joint committee.

Fourth, we attempted to ensure that the provinces would be consulted on the resolution. Everyone in the House remembers how the Prime Minister attempted to get the resolution through Parliament by December 1980, because he did not want the provinces to be consulted.

Fifth, it was the Conservative Party that ensured that the Supreme Court of Canada was allowed to pass judgment. It was not the Liberal Party nor the Liberal experts on the Constitution who sit on the other side who knew better but were prepared to sit quietly by. They did not do anything to bring this about. They did not care.

Sixth, the official opposition ensured that the federal government would reach agreement again with the provinces before bringing the revised resolution back to Parliament. We all remember how the Liberals squirmed and tried to get out of that. It is disgraceful how the Liberal members behaved during this significant event.

We on this side are prepared to vote for the resolution Mr. Speaker but I just want to mention a couple of problems with it.

An hon. Member: Shame.

Mrs. Mitchell: What about women?

Mr. Wright: I hear the NDP rattling away down there. Will Canadians forget about the budget that the NDP are at least indirectly responsible for bringing about?

At present, if the government wishes to restrict our rights, it must enact legislation. Section 24 of the new resolution reads as follows:

> Anyone whose rights or freedoms, as guaranteed by this charter, have been infringed or denied may apply to a court of competent jurisdiction to obtain such remedy as the court considers appropriate and just in the circumstances.

I always thought our rights were guaranteed, Mr. Speaker, but now it seems they are to be turned over to a court. The government is giving us those rights, and the courts can only interpret them. In other words, if the government takes those rights away, the courts are bound to interpret that, not to guarantee our rights.

● (2050)

My second point relates to property rights. All of us in the House know that the Liberal Party in order to get the New Democratic Party on its side voted against property rights. I would like to see how the NDP members will answer to their constituents at the next election, because that point will be brought before every New Democratic Party member across Canada. We can go back to 1933 when the NDP, then the CCF Party, through the Regina manifesto left out property rights. The Liberals also will have to pay for that in the next election.

I am concerned about Section 46. We know how people in the other place have waffled around. How they can go along with this provision when the Senate was set up to protect provincial rights puzzles me. Individuals in the Senate are supposed to represent the provinces. Once again this is an

illustration of how members from the other place are nothing but lackeys for the Liberal government. It is a place where the Liberal government puts political hacks. In reality, people in the other place should be representing their regions. The Liberal government has failed once again.

The majority of Canadians must be relieved that the Prime Minister has stopped beating them over the head with his concept of a revised Constitution. We in the official opposition agree with patriation. We have been consistent about that. We have not changed. We have not been all over the place, as have the New Democratic Party and the Liberal Party. We have consistently said that the Vancouver formula, which was proposed by representatives of the Alberta government, was the proper formula. We did not say that it was cast in stone. But compared to the Victoria formula, the Vancouver formula was the best that had come forward, and we supported it.

We support the Charter of Rights and Freedoms. However, I question some of the provisions of the charter of Rights and Freedoms in which a government is left with words such as "promptness" and "reasonableness" to indicate whether or n we can be put in jail and at what time we can be freed from jail. These words will decide whether a government is prompt and whether it is reasonable. We no longer have the rights; the government has those rights.

We are committed, all of us, to equalization in Canada no matter from which province we come. We are committed to sharing. No one had to tell us that before.

We are committed to the provincial ownership of resources. Heaven knows what this Liberal government would do if it could get hold of this country's resources. We need go look no further than the Post Office to see what the government does.

The timing of this resolution was not to our party's liking. We, along with most Canadians, would have preferred to have dealt with unemployment, inflation, high interest rates, better housing and other economic problems that are facing the country today. However, since we have had to deal with this resolution, it has been our party's determination to protect the Canadian federal system. We knew our responsibilities to the Canadian people, and they have been realized.

Mr. Robert Daudlin (Essex-Kent): Mr. Speaker, I rise to participate in this debate, humbled by the importance and magnitude of the project that we are undertaking but filled with joy at participating in the final act of the attainment of majority for Canada and the law permitting the amendment of our constitutional document at home.

I wish that the official opposition had earlier been more concerned with substance than with the process which, in my view, might well have strengthened the negotiating stance taken by the federal government on behalf of all Canadians and might, in the end, have produced an even more positive result with regard to those concerns which are now being universally expressed as they pertain to certain absences from the resolution.

Even this evening, my friend, the hon. member for Calgary North (Mr. Wright), has once again returned to the old sop of concerning himself with the process. He spoke of the Prime Minister (Mr. Trudeau) having banged heads in Canada to achieve his concept of the nation while, at the same time, he seemed somehow able to escape the inevitable logic of the fact that the Leader of the Opposition (Mr. Clark) in his term must obviously have been attempting to do the same thing with respect to his concept of what this nation is all about.

I think that rather than pointing fingers at each other this evening, we would be taking this debate a step further by suggesting that positions were very strongly held on both sides of this House which, I hope as this debate draws to a close, will produce a resolution that does nothing but win a victory for Canada and for Canadians.

Notwithstanding the past, however, I wish to express my pleasure at the support now being shown for the substance of the resolution agreed upon by the Prime Minister and the Premiers which, with some reservations, is enjoying almost universal support.

Like many others, had I had my preference, I would have preferred a charter of rights and freedoms without the override, without the safety valve as it has been called. Nevertheless, I can accept the position of the Hon. Minister of Justice (Mr. Chrétien) that the override is a safety valve, that it is required to prevent absurdities and, indeed, will undoubtedly rarely be used. But I must at least remind hon. members that the effect of the override is once again to entrust the rights of our minorities to the benevolence and good will of parliaments and legislatures elected by the majorities which have, unfortunately, in the past been found wanting in the measure of compassion and caring necessary to treat our minorities with justice and equity.

The fact is, however, that the Canadian compromise which we now have before us and upon which the loyal opposition insisted, has resulted in the negotiation of a safety valve. I trust that we can count on ourselves and on future parliamentarians to be guardians of minority rights and to ensure that those clauses are so infrequently used that future amendments—and I am sure there will be some—will include the removal of *non obstante* clauses, or safety valves as they have been characterized.

But lest my comments be regarded by some as being too negative, let me say again that I am jubilant, personally and on behalf of my constituents that the Thirty-second Parliament is coming to grips with this last vestige of colonialism, and is bringing Canada of age.

Let me say as well that if I am jubilant at the event, I am ecstatic at the content and the substance. I suppose it would be correct to say that I am high on Canada this evening. I can stand here proudly and say that as a Canadian I have come of age, that I am a citizen of a country that has had enough faith in itself, its political system and its institutions to require that it have the right and obligation to amend its own basic governing legislation at home. In addition to that, the bringing home process has been accompanied by the creation of the Charter of Rights and Freedoms envisaged by my colleagues and by the government, perfected and forged by the parlia-

mentary committee to which we all owe a debt of gratitude, and kept through much trial and heat, thanks to the perseverence, vision and shared conviction that what was right should and must remain, all of which was shown by my colleagues on this side of the House. History will show, I am convinced, that when others would have abandoned principle for process, this party stood steadfast, resolute in its determination to provide a charter of rights and freedoms from which every Canadian present and future can benefit.

• (2100)

An hon. Member: And they changed it.

Mr. Daudlin: History will show that while some preached division, discord and failure, this party and those who support it held faithfully to the principle that the people themselves had expressed throughout, that is that patriation with an amending formula go together with a charter of rights and freedoms.

You will remember that there were many in this House who were prepared to throw that charter of rights and freedoms out with the bath water, who were prepared, as the debate continued, to deal only with patriation and, if necessary, to put in an amending formula but, if that was impossible, to deal only with patriation even without the amending formula. Throughout that debate we continued to say no, we must have the amending formula together with patriation; we must have the Charter of Rights and Freedoms. I agree with my hon. friend who says we changed it, but I ask him very sincerely, who required the change?

Mr. Gamble: Everybody.

Mr. Daudlin: He says that he speaks on behalf of everyone.

Mr. Gamble: I didn't say that.

Mr. Daudlin: I presume to speak on behalf of those people who sent me here, and I tell you that he does not speak for the people in Essex-Kent.

I need not enumerate the content and provisions of the Charter of Rights and Freedoms as others have done that already, but suffice it to say that bold new steps have been taken, new frontiers have been envisaged, and the course toward a new Canadian future has been set.

Speaking parochially for a moment, let me say that Essex-Kent, if any place in Canada, can claim to be as truly multicultural as the concept itself implies. A mixture of English, Scottish and Irish, later added to by French, and still more recently by German, Russian, Ukrainian, Portuguese, Lebanese, Japanese, Dutch, and even more recently by the Vietnamese and Laotian migration has created a mix that cried for recognition beyond the original concept of the founding races. I take great joy on behalf of my constituents who have for many years lived the principle now embodied in the words expressing the multicultural nature of our society, and I thank the drafters for those words.

May I say that I share the disappointment of all members of this House, and I trust it is all members, that as yet we have not settled the issue of sexual equality which I, as others, had hoped would also have been entrenched. It cannot be too often said that it is not this government that has stood in the past or that now stands in the way of an accord on this issue, and I join my voice with all others in this country in calling upon the remaining premier to recognize the necessity of joining his brother premiers in rectifying this unfortunate deletion to the charter.

An hon. Member: How are you going to vote on it?

Mr. Daudlin: Mr. Speaker, the member asks how I am going to vote on it. I suggest to him that there is too much good in this resolution to be thrown out just because the agreement unfortunately leaves out certain portions that should be there. I agree with him, it should be there, but I am not one of those who feel that because something is absent the rest should be thrown out. I do not believe the rest of Canada feels that way either.

It is my hope and desire that a settlement will be achieved on the issue of native rights and on the question of Quebec's absence from the accord as well. Surely all members wish that. But again the same reasoning, in my view, applies. The difficulty we have is, having achieved so much, can we legitimately say that, because we have not achieved in these areas, all else must fail, all else be thrown out? I find it difficult to understand how someone can stand and suggest that because there is a certain portion missing we must lose everything else.

This puts me in mind of the child who goes out to play football, does not like the rules and says he is going to take his football home and the game must end. All should not be lost. We have gained so much and there is more to be gained, unquestionably. Surely we have provided the mechanism whereby more can be gained in the immediate, the short-term and the long-term future. Certainly it would be good to have perfection, but I suspect that even what we perceive as perfection, were we able to achieve it tonight, might not be perceived as that perfection a year, five years or ten years from now.

So to argue that I and others should not vote for the resolution as it stands or as it may be modified over the next few days, or even the next few hours as the discussion goes on, would be ridiculous in the extreme, and could surely be likened to the ostrich putting its head in the sand. I do not think that is what we are here for. I think we are here as practical politicians to achieve what can be achieved now and for the future, and to ensure that in fact the mechanisms we put in place are sufficiently flexible to allow more to be achieved if and when we can.

I think that my constituents can accept the offers that have been made to Quebec in an effort to induce that government to surmount its avowed separatist aims and to help forge a new Canada. As an aside I must say that I am proud to see the entrenchment of minority education rights across Canada since, as a member of a linguistic minority in my province, I know what pressures have been present that, but for this step,

must ultimately result in the eradication of the French language outside of Quebec.

This momentous accord is a giant step toward equality of our two founding races, and I urge upon my fellow Canadians in Quebec to support our actions to entrench what they have so willingly given without legislation for the past 100 years. I hope that even at this late hour that accord can be reached on the final obstacles and that the whole of the country will march to the sound of a new Canadian drummer; a new accord as we are trying to forge it this evening and in the next few days.

Finally, Mr. Speaker, let me say, without partisanship intended but with a great deal of pride in my party, that I as a Liberal have always held my head high in the recognition of the fact that I am a member of the party that brought to this nation such great social legislation as the Canada Pension Plan, family allowances, universal medicare, and I have been prouder still to see across this land a flag made Canada's by a great Liberal Prime Minister.

You will pardon me, Mr. Speaker, if I confess that with the resolution now before us I and those who support me will stand just a little taller, not only as Liberals, but as Canadians proud of our heritage, confident in our future and thankful today for the men and women of this government who have, on behalf of all Canadians, provided the tools for present and future Canadians to get on with and complete the job begun so well in 1867.

As I have said, there are those who have suggested that in fact the document is incomplete. In terms of a personal view, I would indicate that I wish we had been able to do something in respect of the unborn. I recognize the undertakings which have been given and I recognize the neutrality of the resolution so far as the unborn are concerned. I share the concern expressed by the hon. member for Provencher (Mr. Epp) in relation to what this and other legislatures will do regarding the unborn, those least able to protect themselves in our society. I would hope that that solid support for the unborn which comes from all sides of this House will emerge in a resolution dealing with another piece of legislation.

● (2110)

An hon. Member: We had a resolution. You rejected it.

Mr. Daudlin: I hope that there will be continuing support for what the member across the way says he had, and I hope it will come from all parties, particularly the members of the New Democratic Party who will see the wisdom of coming forward with recommendations to the Minister of Justice to amend the Criminal Code to allow us, in fact, to protect the unborn.

An hon. Member: It's a deal!

Mr. Daudlin: I will hold him to that. I believe it is one of the most fundamental and important things we have to do in this Parliament. It is not something we can do with this resolution but, in my view, it is something which has to be done. I believe that this was the wrong document with which to do it. I believe that if the good will that, in fact, is beginning to show through in this debate can be continued with respect to this issue, we can resolve that as well. I am particularly pleased that we are able to achieve what we have done this evening. What we are working toward this evening—

An hon. Member: Talk about the resolution and the unborn.

An hon. Member: Keep going. You have five minutes.

Mr. Daudlin: When you find that members have such tremendous interest in hearing what you have to say, it is particularly gratifying, Mr. Speaker.

I have travelled through my constituency and across Canada, as I hope many of my colleagues have done, to find out what it is that Canadians want. I believe that what we are achieving is what was being sought. I am satisfied that the resolution, and particularly the charter of Rights and Freedoms, gives us the guarantees that Canadians were looking for.

An hon. Member: You were unhappy a moment ago.

Mr. Daudlin: The hon. member does not seem to understand how one can be unhappy but at the same time pleased with what is achieved. It is very difficult to explain, but I will try again.

An hon. Member: Tell us about the resolution and the unborn.

Mr. Daudlin: Perhaps it would be easier, Mr. Speaker, if the member were in his own seat so we could have a question and answer period. Perhaps he would prefer to remain anonymous.

I suggest that notwithstanding his attempt to make light of this issue, a thinking member of this House could not accept this resolution as the be-all and end-all, could accept it as a finality of what we embarked upon a year ago, and knows that we as imperfect persons could not not have come up with perfection. We have come close, Mr. Speaker. I suspect that over the years, dealing with the foundation we have been able to achieve, historians will say that this Parliament has achieved something spectacular and that this was a moment in history of which Canadians can be very proud.

Some hon. Members: Hear, hear!

Mr. Chrétien: On a point of order, Mr. Speaker. I am pleased to be able to inform the House that I have obtained from all provinces which are parties to the accord their agreement that Section 28 on the equality of men and women should apply without the override clause. In addition, I am happy to report to the House that all provinces have agreed to enshrine aboriginal rights in the Constitution.

Some hon. Members: Hear, hear!

The Acting Speaker (Mr. Blaker): As the hon. member for Edmonton West (Mr. Lambert) just said, what has just occurred does not constitute a point of order. Therefore, I

would suggest, that the courtesy be extended to the spokesmen for the opposition parties of allowing them to make a comment, and I will seek the unanimous consent of the House to permit representatives from each party who may wish to do so to make a comment. Is there unanimous consent?

Some hon. Members: Agreed.

Mr. Epp: Mr. Speaker, I want to thank the Minister of Justice (Mr. Chrétien) for that announcement. I want to say on behalf of our party that we are pleased that the amendment before us, namely, to restore Section 28 as we had developed that section in the constitutional committee has now received agreement from the nine provinces which signed the accord. I take it that it was the nine provinces that had signed the accord to which the minister if referring. With regard to aboriginal rights, I take it from the minister as well that it is a restoration of what we have come to know as Section 34. That is how I have understood the minister's comments.

On behalf of the Progressive Conservative Party, we are pleased that that is now fact. We always thought these provisions should have been restored. Obviously some changes will be needed in terms of technical changes in the resolution. Those can be worked out, Mr. Speaker, and I believe these two amendments should help to speed up passage of the resolution.

Some hon. Members: Hear, hear!

Mr. Deans: Mr. Speaker, as are most members in the House, I am always happy to hear good news. We trust that the news we have heard is, indeed, good news. I hope that the minor amendment which the minister has indicated to me might be included in one of the two sections is an amendment we can find acceptable.

For the moment, I would like to reserve a definite position until such time as I have read the actual wording of the amendment.

The Acting Speaker (Mr. Blaker): The Chair would normally expect to recognize those members who stand for the purpose of continuing the debate.

Mr. Ittinuar: Mr. Speaker, like my colleague, the hon. member for Hamilton Mountain (Mr. Deans), I also would like to reserve my position on this amendment. I must congratulate, however, the hon. Minister of Justice (Mr. Chrétien) for all the effort he has made on our behalf, the people of the north. I am also grateful to the Minister of Indian Affairs and Northern Development (Mr. Munro), the leader of my party, and certainly the hon. Leader of the official opposition (Mr. Clark) for his kind words the other day.

I hope the wording that the Minister of Justice has arrived at will do justice to the efforts made by all the parties in the House as well as the efforts of many people in the country. This applies to the women's equality section as well as to the rights of the aboriginal people. I understand that the wording is very new but that, for the most part, the meaning of the original section is there, and I congratulate the hon. Minister of Justice.

Some hon. Members: Hear, hear!

Mr. John McDermid (Brampton-Georgetown): Mr. Speaker, when I saw the Minister of Justice (Mr. Chrétien) come into the House tonight, I thought he was coming to hear my speech, which might be a little anti-climactic after the welcome announcement he made tonight. I would like to congratulate him and my good friend from Nunatsiaq (Mr. Ittinuar) for the work which I know he spent on this program, as well as members of my party who are very concerned and involved in the discussions. It is certainly most welcome news. Tonight, I welcome the opportunity to speak during this important historical debate.

• (2120)

It is an exciting and challenging time in which we are Members of Parliament, and I consider it a privilege to be here at this time. As the Member of Parliament for an Ontario riding, Brampton-Georgetown, I must admit that the subject of the Constitution has been a difficult one for me to deal with. I represent federally the riding represented provincially by the Premier of Ontario. It was of great concern to me and many of my constituents that the Premier gave such absolute and unconditional support to the constitutional package initially set forth by the federal government, not so much because of the content of the resolution but because of the procedure which was proposed by the federal government, a procedure which was considered un-Canadian by the Progressive Conservative Party of Canada, a position upheld by the Supreme Court of Canada. I am very proud, however, that the premier initiated the compromise process by relinquishing the Ontario right of veto. I wish to thank him personally for starting the process that allowed consensus to be achieved.

I would also like to thank and congratulate all the first ministers for upholding the Canadian way. Although the consensus achieved left out one of the most vital partners of our confederation, the province of Quebec, I believe many Canadians are relieved that the consensus was achieved.

The dialogue on a new Constitution has, as we are often reminded by the Right Hon. Prime Minister (Mr. Trudeau), been going on for many years. He would have us believe that in the last 54 years Canadians have done nothing but argue about constitutional matters. Any intelligent, thinking person knows that is just not the case. Sporadic attempts have been made during that period to arrive at an acceptable amending formula to permit patriation. I would, however, congratulate the Prime Minister for, it seems, having achieved his dream, albeit an amended version of that dream.

Let us look for a moment at the procedures used to achieve that dream. The Prime Minister was willing to do anything, including alienating the provinces and suffering the possibility of separation, in order, reportedly, to end his political career with Canada's formal declaration of independence. The possi-

bility of his unilateral move was intolerable in a co-operative federalism.

When the original resolution was tabled, the Leader of the Official Opposition (Mr. Clark) saw immediately the dangers of unilateral action and that there was more to the resolution than met the eye. It was a knowing and a courageous stand to admit that changes in constitutions change the relationships between people and their governments, and that unless these changes are agreed to, the very basis of our economic, social and cultural stability is jeopardized.

During discussions with many of my constituents it became very clear that they, like most Canadians, did not feel that the Prime Minister should restructure our Constitution and our federal system without the approval of the provinces. In the riding of Brampton-Georgetown, 83 per cent of constituents who were polled felt that provincial consent must be obtained—the consent of a significant majority of the provinces—and this feeling was very evident across the country. This feeling legitimized all attempts of the official opposition to block unilateral action. The fight to ensure Canadians were heard, the formation of a constitutional committee, the televising of proceedings, and the delaying of House proceedings on the question were due to the efforts of the official opposition. We fought long and hard to arouse public opinion, and I am proud of what we accomplished.

Our leader and our party fought for the Canadian way under a great deal of criticism and ridicule from the Liberals, but not for a minute do I apologize for our actions. I am reminded of something the Right Hon. John Diefenbaker once said: "God forbid that in this country we should apologize for standing for those things which made this nation great". If any of my colleagues across the floor feel that these measures were a waste of time, they had better, as some of the Liberals have done, reconsider why they were elected—to represent their constituents or to be unthinking sheep led by a master into whatever pasture he decides to take them, with no consideration for the effects on the people who put their trust in them?

The all-party agreement reached on April 8 in this House to defer final debate on the resolution until after a decision had been rendered by the Supreme Court of Canada on the appeals before it from the lower courts was, I think, welcomed by all. In its wisdom, the court affirmed what we as a party had been saying all along, and that is that the conventions, the customs and the practices making up part of our existing Constitution should not be overlooked.

I am sure that during the past year many Canadians have regarded the constitutional debate with a good deal of indifference, and I can appreciate that reaction. Unemployment, inflation, high interest rates and other bread and butter issues have had a more immediate impact on people's daily lives. Just last Saturday I marched with a group of concerned Bramptonians headed by two very courageous women, Kathy Dinley and Marlene Grant. Here on Parliament Hill they urged that the present constitutional matters be completed as quickly as possible and that work on economic matters take precedence. Two bus loads carrying a group of people independent of any organization came to Ottawa. They also expressed how pleased they were that a consensus had been achieved and that the Canadian way prevailed.

The agreement to wait for the Supreme Court decision was reached because of an ever increasing awareness on the part of the Liberal Party that Canadians across the country were beginning to see through the attempts to change the fundamental nature of our country, and they were not in favour. For Canada's sake I am very happy that the Prime Minister saw fit to take another long, hard look at the precedent he was setting by forging ahead with a plan not condoned by the majority of provinces and not agreed to by a large majority of the people of Canada.

Confederation was arrived at by great statesmen setting aside their individual views and arriving at a consensus. Frustration and separatist sentiments have been widespread throughout our history, but no attempt at division has ever had the potential for breaking up this entire country in the same way that forging ahead without significant consensus would have had. In the words of Lord Acton, "The co-existence of several nations under the same state is the test, as well as the best security, of its freedoms." When Canada adopted its federal system of government, it did so with good reason. It was seen then, as it continues to be now, as the best way of reflecting our national duality and the need for regional local autonomy.

I would like to consider the position of Quebec for a moment. I said earlier that a very vital province has not seen fit to consent to the constitutional accord. The Quebec situation has been an overriding constitutional question for many years. It has, to my mind, been the chief factor in constitutional discussions which have occurred since 1963. Quebec's constitutional position has been deferred many times and, once again, the question has been left unanswered. This may be because of the unwillingness of the federal government or other provincial Premiers to negotiate further, or it may be due to the fact that the Quebec government involved in these constitutional negotiations is committed solely to separation. I do not really know, but it saddens me that Quebec is not a part of the consensus reached. It is a tragedy which I hope can be averted.

● (2130)

The Prime Minister has for years argued that there was an urgent need for constitutional change. The general feeling of the provinces other than Quebec was that there really was not an urgency; important but not urgent. Only after the Quebec referendum last year did most Canadians realize the frustration and the seriousness of Quebec's outlook on its role in Confederation. In May 1971, Claude Ryan urged that:

> English Canada would be much wiser to look to the government of Quebec as the real interpreter of the French Canadian will,—

Keep in mind this was at the time of a Liberal government in Quebec.

> —a government seen not through some temporary vacillation of Robert Bourassa but through a constant threat expressed in the major constitutional documents

since 1966. There will be found the essential elements, not necessarily of a solution, but for real negotiation. Until these are examined and accepted, no solution will be possible.

The official opposition party has put forward a proposition giving Quebec another opportunity to reconsider its position. If the availability of compensation to provinces which opt out is not accepted by the present Quebec government, it will be clear that the present representation of the province of Quebec is committed solely to separation. Whether or not the provincial government of Quebec actually represents the political will of Quebecers remains to be seen.

In April the Quebec government signed an accord with seven other premiers which included this provision. Did the Premier of Quebec sign the accord at that time because he believed this is what Quebecers want, or did he sign it just to embarrass the federal government, assuming that the accord would not be accepted? I can only hope that all sides of the negotiations bargain in good faith and continue to act in the best interests of Canadian unity. I ask all Quebecers to examine our position, and if they approve, if they want to take their rightful place in the federation, then let Premier Lévesque and the Prime Minister of Canada know, act together to remain partners. I cannot envision a Canada without Quebec.

One major disappointment for me is to see a Canadian Constitution before us that does not contain property rights. To my way of thinking, the cornerstone of democracy is the right to own property. An investment in a piece of property gives one a feeling of security, "a piece of the rock" as one famous advertisement says, at owning a small part of this great country. Why not protect that right, a basic right of any democracy? The late President of the United States of America, General Dwight D. Eisenhower, said:

When some people declare that we care more for property rights than human rights I say that a property right is one of the human rights and if it is not sustained then all others will disappear.

I say amen to that and ask that this be on the top priority list when next the matter of constitutional amendments are discussed by the first ministers.

I would like for a moment to discuss a section of the charter which is of great concern to many of our legal and enforcement bodies. That section is 24(2), known as the exclusionary rule. The government has been accused of trying to Americanize Canadian rules of evidence and placing Canada in a constitutional straitjacket in terms of the evolution of our criminal law and procedures by entrenching a form of the American exclusionary rule of evidence.

The government, after a compromise was reached with the provinces in the summer of 1980, reversed its position, as it has been known to do sometimes, and in January, 1981, decided to adopt the exclusionary rule. Because of this decision and the concern expressed by many, the official opposition offered a compromise wording which was adopted by the joint committee.

However, this section continues to represent a concern, and I feel these concerns must be expressed and put on the record. The possible problems with entrenchment of this rule were brought to my attention by many, including Chief Ackroyd of the Metropolitan Toronto Police Force and by Chief Doug Burrows of the Peel Regional Police.

Section 24(2) sets a subjective standard for our courts. There is no jurisprudence in this area to guide our judiciary. It is interesting to note that although it is an American rule of evidence, it is not entrenched in the American Constitution. This rule can be changed by United States courts or Congress at any time. Why then is Canada heading in a direction which will involve a constitutional amendment if a change in this area becomes necessary?

Law reform commissions, both federal and provincial, have recommended that an exclusionary rule, or the type of clause that is present in the charter, be included in provincial and federal evidence acts. I know that some Crown attorneys and attorneys general, including the Ontario attorney general, feel that section 24(2) should not be entrenched but should possibly be adopted as an amendment to our evidence acts. In a letter dated March 20, 1981, the attorney general of Ontario wrote this to all Members of Parliament:

I would urge you to avoid the introduction into our criminal justice system of American concepts which have substantially undermined effective law enforcement in the United States while failing to enhance the rights of individual citizens.

When the government reversed its position in January and decided to adopt the exclusionary rule, there were no consultations by the federal government with the provinces. It is an area that civil libertarians feel must be included in the charter, but as put forth by the Canadian Police Association and many others, serious consideration must be given to the changes which this rule will cause in our criminal law system. They have asked each of us to consider a series of questions. I quote a few:

Do I want to change to a United States rule consistently rejected by the courts of Canada and England for 300 years and which has recently come under serious question in the United States and has been firmly rejected as unsound by three distinguished English Royal Commissions, the last as recent as December 1980? . . .

Does the exclusionary rule really control police and thereby protect civil liberties? Or, is it inferior to strong before-the-fact accountability coupled with prosecution and discipline of police after-the-fact, when deserved? . . .

Do the women of Canada want to protect sexual attackers to the extent that even the slightest mistake by police in following the proper investigatory and arrest procedures will exclude relevant evidence and lead to an acquittal, even if the evidence of guilt is overwhelming?

A gory, not pleasant but true story of an incident which took place in California vividly demonstrates what could happen. A highway patrol in California pulled a car over and started to question the driver. He became very suspicious and asked the driver to open his trunk. The driver refused, the police patrol insisted, and the driver finally opened his trunk. In the trunk the policeman found a dismembered body, a member of the driver's family. The driver pleaded guilty to the charge of murder and was convicted in a lower court. In an appeal court he was declared innocent and let go because the patrol officer did not have a proper search warrant to look in the trunk. That was because of the exclusionary rules of evidence that they

have in the United States. We do not want that here in this country.

● (2140)

I feel the public should be aware of these concerns being expressed by some Canadians. These concerns should be carefully examined once the Constitution returns to Canada, its final resting place.

I would like to comment briefly and commend the first ministers on the formal recognition of Canada's multicultural heritage, a heritage that has been a continuing and undisputed fibre of our history.

Canada has benefited from the diversity of its people. Because of this diversity, we are a richer nation, committed to living together in understanding and mutual appreciation.

In the early 1960s the Right Hon. John Diefenbaker from Prince Albert likened Canada to a garden. He said:

> A garden ... into which has been transplanted the hardiest and brightest flowers from many lands, each retaining in its new environment the best of the qualities for which it was loved and prized in its native land.

In my new responsibility as immigration spokesman, I have become in the past few months very aware of the fact that our attitudes towards immigrants and immigration are an important part of our multicultural ideology. Mr. Speaker, I hope my education in this area broadens my horizons even further. In this regard the charter does reflect the reality that is Canada.

In the past year and a half I have travelled extensively in Canada. The employment opportunities contained in the Committee of Employment Opportunities for the 80s gave me the chance to see in depth the Canada I did not know. I was very familiar with Ontario; but the rest of Canada was not well known to me. I had travelled to some extent in Canada but I never took the time to see it, and to really look at it.

I have walked on the stone beach at Stephenville, Newfoundland; amazed at the sight of the harbour of St. John's; driven and walked along the most beautiful Cabot Trail; slipped on the rocks at Peggy's Cove just trying to get that perfect picture; stood in the famous legislature in New Brunswick; visited with city council in Chicoutimi, Quebec; sang, ate and drank shoulder to shoulder with my fellow French-speaking Canadians in a wine cellar in old Montreal. Mr. Speaker smiles because he knows what I am talking about. I travelled Ontario from Fort Francis to Pelee Island; watched a flock of geese heading south with trees a brilliant yellow, the black storm ahead and the sun glistening off the frost somewhere between Brandon and Winnipeg; visited the little towns in Saskatchewan, such as Biggar, Perdue and even Lennie where my mother came from; travelled through breathtakingly beautiful Alberta to the tar sands in the north. I heard a native Canadian couple tell their story, the most articulate presentation I think I have ever had the pleasure of hearing. I watched the world junior softball championships in Edmonton. I flew a twin Otter from Fort McMurray to Yellowknife, walked the streets at midnight in broad daylight, skied the Rockies, got wet in Vancouver, and marvelled at the diversity of British Columbia. From coast to coast and to the north it is Canada. Its beauty, its people, its resources make it the greatest nation in the world, and I, along with millions of Canadians, want to maintain its greatness. God help those who would attempt to destroy this greatness.

In closing, Mr. Speaker, I should like to say that there were many who said that a Constitutional accord would not be possible. God willing, Canada will have its Constitution. My prayer as a proud Canadian is that we will all be guided in the next few weeks and in future constitutional change to uphold the human and political freedoms that we tend to take for granted. I love this country. My dedication is to keep it strong economically and socially, and united from coast to coast.

Mr. Hal Herbert (Vaudreuil): I rise tonight near the end of this great constitutional debate that has been causing so much difficulty in this country. With the news that has been given to us of the agreement reached on the two outstanding and most controversial subjects, there is very little that one could say. However, I feel I should take a few minutes to put on the record some thoughts with regard to a couple of matters on which I have personally been questioned on the effect of the constitutional resolution when it is passed.

First I should say, Mr. Speaker, as someone who came to this country some 40 years ago now, I liked what I saw. I spent some 15 months training in this country during the war. I liked it so much that when the war was over I wanted to come back. I did come back with my family. Although I travelled fairly extensively in Canada, I liked what I saw in Quebec. I settled in Quebec, and I have lived there ever since. I did not choose Quebec because I thought that I would be able to continue to speak the English language; in fact, quite the contrary. I assumed that I would probably be obliged to brush up on my French. However, that was not so. If I can interject here, somewhat to my disappointment that was not so. I continued to operate for some 10 or 15 years in the English language, even though I was in the construction industry, building from Trois-Rivières, what we used to call Three Rivers, to Chicoutimi and throughout the province, and even in the capital city of Quebec. That was to change.

I think the big change came with Bill 22. Mr. Speaker, because you were a part of that action at that time, you will know that I as an individual did not speak against Bill 22, even though I felt there were some parts of that bill that I did not particularly like. However, over all I felt it was necessary that some action be taken to redress what was certainly an unacceptable situation in the province of Quebec.

I was somewhat unhappy when Bill 22 was replaced with Bill 101. However, even today we have learned to live with Bill 101. Life for the Anglos in the province of Quebec is not really all that bad.

● (2150)

However, as I said at the outset, I want to make a couple of comments on parts of the resolution on which I have been questioned. First I should like to comment upon the *non*

obstante override clause as it applies to the charter of Rights and Freedoms. The entire charter of Rights and Freedoms will be entrenched in the Constitution and no province will be able to opt out of any provision of the charter. The agreement signed by the Prime Minister and the nine Premiers does not emasculate the charter. Democratic rights, fundamental freedoms, mobility rights, legal rights, equality rights and language rights are enshrined in the Constitution and apply across the country. What the premiers and the Prime Minister agreed to is a safety valve which is unlikely ever to be used except in non-controversial circumstances by Parliament or legislatures to override certain sections of the charter.

The Quebec charter of rights and freedoms adopted in 1975 contained an override clause which has been used several times. However, its use has been non-controversial and is instructive in looking at how the override may be applied in terms of the new constitutional charter. For example, despite the provision in the Quebec charter guaranteeing that everyone is equal before the law, the juries act indicates that a lawyer cannot be a member of a jury. Despite the guarantee of open trials in the Quebec charter, the youth protection act provides for circumstances where juvenile court may hold closed sessions. Despite the protection in the Quebec charter for the privileged doctor-patient relationship, the highway safety act requires a doctor to inform the license bureau of the name of the patient who is medically incapable of driving a motor vehicle. It is because of the history of the use of the override clause and because of the need for a safety valve to correct absurd situations without going through the difficulty of obtaining constitutional amendments that leading civil libertarians have welcomed its inclusion in the Charter of Rights and Freedoms.

I should like to make a few comments on the subject of indirect taxation. The British North America Act gives the federal government the power to raise taxes by any means, including indirect taxation, but does not give the same power to the provinces. The provincial authority is contained in Section 92(2) of the BNA Act which indicates direct taxation within the provinces. Thus, under our present Constitution, provincial taxation powers are limited to the raising of a direct tax within the province for provincial purposes. In order to decide whether a tax was direct or indirect, the courts have adopted the John Stuart Mill definition of direct and indirect taxes. This means that a tax is held to be a direct tax when it is demanded from the very person who is intended to pay it. On the other hand, a tax is held to be an indirect tax when it is demanded from one person in the expectation and with the intention that he shall indemnify himself at the expense of another. Whenever a court has had to decide whether a tax was direct or indirect, it examined the tax in order to find out whether it met that definition. The purpose of the proposal is to free the provinces from the obligation to meet the direct tax test when they levy a tax on non-renewable resources.

In giving provinces the power to levy indirect taxes on non-renewable resources, we are giving provinces the power to levy a tax whose burden does not fall on the very person on whom the tax is levied. This could mean that a tax levied on a non-renewable resource in a province might be paid by residents of another province, if the resource subject to tax were exported to the other province. However, an indirect tax in non-renewable resources should not discriminate between the province and other parts of Canada. Federal taxing powers would not be affected by the proposal. The federal government would retain the power to raise money by any mode or system of taxation on resources, as well as on any other goods or activities.

During all the constitutional discussions of the past several years, there was full agreement that, apart from resources, provinces should not be permitted to apply indirect taxes, the effects of which would be felt by persons outside the province imposing the tax. For example, it would not be fair for a province in which automobiles are manufactured to impose an indirect tax on such automobiles which would then have to be paid, not only by the residents of that province but by the residents of all provinces to which the automobiles were shipped. On the other hand, it was also agreed that non-renewable natural resources presented a special case. It was generally accepted by the provinces and by the federal government that provincial governments through any mode of taxation should be able to ensure that a fair return was received by the residents of the province which was disposing of the resource. It was agreed that provinces should be given indirect taxing powers, with the proviso that their tax laws could not discriminate between resources used in the province and those exported. In other words, an indirect tax by Saskatchewan on, say, potash would have to be the same, whether the potash was used by residents of Saskatchewan or shipped outside.

Another subject of considerable interest in the province of Quebec at the present time is the subject of denominational schools. I should like to make a few comments on the subject. Concerning religious guarantees in the Constitution, Section 93 of the British North America Act, 1867, is the only provision in the act which refers to such guarantees. Section 93(1) provides that no province may prejudicially affect rights or privileges with respect to denominational schools which existed at law in the provinces at the time of Confederation. However, the section does not make any reference to freedom of choice respecting language of education. Jurisprudence indicates that the rights and privileges guaranteed by Section 93(1) are those relating to the establishment of denominational schools and religious teaching therein. But the section does not prevent provinces from regulating the curriculum generally of such schools or prescribing the language of instruction to be used. A decision of the judicial committee of the Privy Council in 1916, in the case of *Trustees of the Roman Catholic Separate Schools for the City of Ottawa v. MacKell,* held that Ontario legislation which restricted the use of French as a language of instruction in the schools of that province was valid provincial legislation relating to education and not contrary to the provisions of Section 93. However, this does not mean that the provinces are free to prevent the establishment and operation of denominational schools and the teaching of

denominational tenets, doctrines and practices in those schools. Quebec's charter of the French language, Bill 101, regulates the language of instruction in the schools of the province, but it does not address itself to the broader issue and, indeed, it could not constitutionally abrogate Section 93 guarantees.

Obviously I would have liked to have seen a lot more freedom in the language provisions in the constitutional resolution. I also fully agree that it is much better to arrive at a consensus, to arrive at a compromise. In that respect, perhaps unwillingly, but nevertheless I accept that the inclusion of the Canada clause is the best we can expect in the circumstances.

May I call it ten o'clock?

The Acting Speaker (Mr. Blaker): I thank the hon. member for calling it ten o'clock.

• (2200)

PROCEEDINGS ON ADJOURNMENT MOTION

[*Translation*]

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

THE CONSTITUTION—PROPOSAL THAT REPRESENTATIVES OF MINORITIES ATTEND CONFERENCE

Mr. Jean-Robert Gauthier (Ottawa-Vanier): Mr. Speaker, on November 9, I asked a question of the Prime Minister (Mr. Trudeau) concerning the Constitution. Since the beginning of the constitutional debate in this House, and certainly since the historical agreement between the federal government and the nine consenting provinces was signed, the contents of the charter of rights has continued to be the focus of political debate. If I am not mistaken, Mr. Speaker, I heard this evening that the issues of equal rights for women and native rights had been settled, at least from what we heard in this House earlier.

One very important issue, however, remains to be settled, that of the francophone minority outside Quebec. During this brief debate this evening, I should like to deal with the situation where we, francophones, living in provinces with an English majority, find ourselves in this federation, which is becoming for us a real maze of interpretations. Of course, I refer to the charter of rights, a charter which should be universally applied, but which, in this case, relinquishes the universality principle to the provincial legislatures by letting them determine how it will be implemented. Because of all these optional or "nothwithstanding" clauses, especially as concerns the provisions on basic freedom, legal guarantees and equal rights, this charter is probably the only federal document which will take its meaning from provincial jurisdictions and legislation. In other words, the federal government proposed but the provinces dispose.

This means that the Canadian who wishes to travel in his own country will have to check carefully and practically every day how the various provinces interpret the Constitution before leaving his province for another. The legal guarantees of this Canadian, if arrested, for instance, could vary when he steps across a provincial border. At the limit, in view of this potential multitude of rights which apply or do not apply, we may wonder if we are still in the same country or in a federation of many countries.

A more detailed examination of the contents of this charter reveals that the clauses concerning linguistic rights and the right to education in the language of the minority are firm and universal clauses which are not subject to the opting-out principle. This means that the members of a linguistic minority of either official language may have their children educated in their own language at the elementary and secondary levels only where numbers warrant. As concerns the principles involved, while several premiers, such as Mr. Bennett and Mr. Davis, do not agree and say that Clause 23 will not change anything, I believe that this clause still provides guarantees which seem adequate at first glance. However, as one looks a bit further, one finds that in actual practice the reality is somewhat strange. Let us take an example. A group of French-language parents residing in one of the seven provinces not subject to Section 133, which gives access to legal and legislative institutions, file an application for a French school in their community. The school authorities, the school board answer that the application is turned down because the number of children does not warrant a French school in the area. The parents will then have to find the money, energy and support to go to court and pursue their rights at their own expense. The case will be heard in the provincial Supreme Court. And there lies the irony. Since the charter of rights does not recognize in that Canadian province the access to legal and legislative institutions in the minority language, these parents will have to fight in English for the recognition of the minimum constitutional rights granted them as French-speaking citizens.

So this is in the charter of rights, a serious flaw that makes it in my view both unacceptable and utterly incomplete. Minorities are granted certain rights but not the tools needed to have them enforced. Even the Ontario Premier has no hesitation in recognizing that the charter of rights gives nothing more to French speaking residents in his province, and I refer you to a report published no later than today in the Montreal Paper *la Presse*, where Mr. Davis is quoted as making the statement utterly shocking to us Franco-Ontarians that there was nothing new there, the charter did not change much in the Ontario situation.

• (2205)

When he replied to a question I directed to him in the House on November 9, the Prime Minister recognized that the linguistic rights applied only to elementary and secondary schools. He stated that he was prepared to convene a federal-provincial conference of the type I had suggested to review the whole question following patriation. This is indeed a commendable and significant response. Yet, because I know a number of premiers, I am very much concerned about the outcome of such a meeting, but I remain optimistic about the possibility of it being held.

According to the information I have checked today, Mr. Speaker, of the nine provincial premiers—I should perhaps exclude Mr. Hatfield who is the only one who recognized fully the linguistic rights of both anglophones and francophones—two have replied: Mr. Hatfield, of course, and Mr. Blakeney, of Saskatchewan, who said: "If the others go, I will certainly go too". Naturally, there was no reply from Bill Davis, and I must say that I am very disappointed with the Ontario Premier's refusal. In Ontario, the province with the greatest minority of francophones—some 500,000 of them—I do not understand his refusal to take part in a federal-provincial conference which could be the perfect forum to consider and discuss in depth the last problem which remains to be settled in this country, that is, the treatment of francophone minorities outside Quebec. Thank you, Mr. Speaker.

Mr. Jim Peterson (Parliamentary Secretary to Minister of Justice and Minister of State for Social Development): Mr. Speaker, all members of this House congratulate the hon. member for Ottawa-Vanier for his unremitting efforts to protect the rights of francophones outside of Quebec, for his tenacity and his eagerness to standup for the rights of francophones throughout Canada.

The hon. member has suggested a federal-provincial conference to enable francophone groups outside Quebec to state their grievances. He worked hard to get the provinces to agree to that meeting but in spite of his efforts, only two are in favour of such a meeting. Such a conference could only bring results if the provinces would agree to attend. Once again our efforts should be channelled towards that end. This being said, we have to recognize at the same time that the new constitution will do much for francophones outside Quebec. First bilingualism is made official at the federal level. Second both language groups are considered equal in every area: executive, legislative and legal. Third the right of linguistic minorities to education is recognized. I know well that in spite of all that, the hon. member as well as many others would rather see the rights of francophones outside Quebec given greater recognition. It must be recognized as well, however, that we have proved that with good will and co-operation between the federal and provincial governments, much can be accomplished. To wit, Mr. Speaker, the historial agreement the Minister of Justice (Mr. Chrétien) announced to the House 45 minutes ago, the agreement on women's rights and aboriginal rights. We all congratulate him. We are very proud to be Canadians.

• (2210)

[*English*]

CANADIAN BROADCASTING CORPORATION—APPEARANCE OF CANADIAN PIPERS AT EDINBURGH INTERNATIONAL TATTOO. (B) REQUEST THAT BROADCAST BE SHOWN IN CANADA

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, on November 2, I asked the Minister of Communications (Mr. Fox), as minister responsible for reporting to this House for the CBC, if he would inquire why the CBC had refused to carry the TV program which had been made by the British Broadcasting Corporation of this year's Edinburgh Tattoo. The reason I asked that was that I wanted Canadians to see this year's tattoo because Canadians on that occasion were doubly honoured; first of all, by including a separate section dedicated to Canada entitled "Canadiana", a section which featured a team of about 100 Canadians drawn from across the country including pipers, drummers, Scottish and habitant dancers from all parts of Canada, and second, honoured by inviting a Canadian service officer, General Lewis, Commanding Officer Air Command, to take the salute in Edinburgh. This year's Tattoo, therefore, was a great event in Canadian terms. It was broadcast broadly in Britain and across Europe. Canada got a great boost in this particular event.

I was subsequently told by the minister that the CBC had not been offered the BBC videotape. I can now assure him, or the parliamentary secretary who will be replying, that this oversight has been remedied and a 75-minute version of the 90-minute Tattoo has been offered to the Canadian Broadcasting Corporation, and I and many more Canadians hope the deal will be closed and Canadians will have a chance to see this outstanding event; the way Canadians did their country proud by their performances.

I am told that the CBC is looking at a five-minute version of the Tattoo, but my view is that even to put on such an abbreviated version of a more than ten-minute participation in the tattoo would be an insult to those Canadians from all parts of Canada who were seen by about 250,000 who attended the Tattoo in Edinburgh, about six million British television viewers, and 50 million to 60 million viewers in Europe and Australia.

Canada's participation this year in this international festival has been in the works for about five years. It was treated by the BBC as a feature item. The show was designed to portray Canadian unity by featuring dancers from all across this land—Scottish pipers, Scottish dancers as well as folk dancers from Quebec. It was, I am told, a moving experience. Having paid for much of the Canadian group's expenses to go to Edinburgh, I contend that Canadians should now have the opportunity to see how well this team which they sponsored performed on their behalf.

• (2215)

Last week, I sent to the President of the Canadian Broadcasting Corporation a petition bearing the signatures of 107 members of this House of Commons and of the other place. I am hopeful that the minister will add these and possibly his signature to a request that the Canadian viewers have an opportunity to see this outstanding version of Canadian performance overseas by Canadian artists.

Mr. Jack Masters (Parliamentary Secretary to Minister of Communications): Mr. Speaker, 13 years ago Parliament declared in the Broadcasting Act that Canadians are, indeed, entitled to a varied and comprehensive choice of programming on the radio and television stations licensed in Canada. Because of this longstanding requirement, I welcome this opportunity to delineate the minister's position with respect to the selection of programming within the Canadian broadcasting system. This is particularly timely in view of the concern expressed in this House now and on previous occasions by the hon. member for Esquimalt-Saanich (Mr. Munro) about the Canadian Broadcasting Corporation's apparent refusal to schedule a BBC program of the Edinburgh Festival.

I would first like to comment about the specific BBC program of the Edinburgh Festival in which members of the Canadian Militia played a prominent role this past summer. As the minister said in the House the other day, all Canadians are obviously impressed by and proud of the role of the militia at this international tattoo. Given the cultural heritage of many Canadians, such a program would undoubtedly be of interest to them. However, the responsibility for the choice of any specific program, including this one, rests with the individual licensees.

The minister did inquire as to whether or not the CBC had planned to schedule the program, and the corporation advised that the BBC did in fact prepare a 75-minute program, as has been pointed out, on the 1981 Edinburgh Tattoo which was telecast in Britain and Europe as part of the Eurovision agreement.

Apparently some Canadians understood that the program was carried in the United States and in Commonwealth areas. However, BBC Enterprises, the commercial arm of the BBC, did not select it for international distribution, and it was therefore not offered to the CBC or to any other television organization. Australia does have a tradition of carrying the BBC's coverage of the Tattoo at a later date, but the Australian Broadcasting Commission has not yet signed a contract with the BBC to show the 1981 Tattoo.

The CBC also advises that its programming officers are aware of the five-minute Canadian segment contained in the Tattoo and the participation of a Canadian composite pipe band in the massed bands, and they will be looking at the program with a view to determining where it could be appropriately scheduled. The minister also forwarded the hon. member's interest to Mr. Johnson, President of the CBC, for his consideration. The corporation will undoubtedly take comments such as these into consideration when planning its future programming. However, I think it is timely to remind all hon. members that Parliament declared that government does not and should not involve itself in the selection of the programs provided by radio and television broadcasters, whether public or private.

The Broadcasting Act makes it clear that neither the CRTC nor the government are in a position to ensure that any station might schedule any particular program.

I would like to remind hon. members again that broadcasters do listen to their audience. The broadcaster has a vested interest in maintaining and building a loyal and contented audience, without which it would be impossible for him to carry on business. The minister, therefore, strongly encourages each and every Canadian to let their broadcasters know their desires and wishes in programming matters, as has already been done in this instance.

THE BUDGET—MINISTER'S AWARENESS OF EFFECT

Mr. Blaine A. Thacker (Lethbridge-Foothills): Mr. Speaker, I rise to set forth my dissatisfaction with the answer given to me by the Prime Minister (Mr. Trudeau) to my question on November 19.

In my question, I exposed two budget changes which seriously injure family farm ownership and the passage of the family farm from one generation to the next.

Provisions in the budget abolish the income averaging annuity provisions and also abolish the capital gains tax reserve. The effect of this is to impose an immediate assessment with respect to capital gains on the sale of a farm.

The budget goes on to state that there are forwarding averaging provisions which are not satisfactory when the details of it are examined. It also provides that a farmer could spread the actual payment of capital gains tax over the next three years, with interest being leviable on the amounts. I simply say that that is not a satisfactory solution to the very real problem of passing farms on to the next generation.

As you may know, the farm practice is that when a farmer puts his whole life into a farm, it then becomes his pension plan. He does not make deductions, as people who are paid a salary do. When he passes that farm on, therefore, it is important to have a scheme whereby he can use the farm proceeds as a pension plan. Traditionally, that is done in two different ways. The first way is usually a sale for cash to a member of the next generation who has financed the purchase price through the Farm Credit Corporation, or the Alberta development corporation, or any number of financial institutions. The farmer, of course, immediately has all the cash. He takes that and purchases an income-averaging annuity and spreads that purchase price over ten or 15 years. A portion of the capital gains tax applies to his income in each of those years, and capital gains tax is paid. That works very well. The other mechanism used between generations is that the farm seller himself finances the deal by selling to his son or daughter by way of an agreement of sale or an outright sale with a mortgage back. In both these ways, a farmer is able to utilize

the provisions of the Income Tax Act, called the capital gains tax reserve. All that means is that if the payments are spread out over ten or 15 years, as each payment is received, the farmer declares in that year one-tenth or one-fifteenth of the capital gains tax, and it is paid to the government.

● (2220)

Without those provisions and under the budget the most the farmer can do is to have the entire tax assessed in the year of sale and to spread the payment out over three years, even though if he is financing the sale of the farm to a child—or a stranger for that matter—he will not be receiving those payments for ten or 15 years.

We know that the Farm Credit Corporation does not have sufficient money—nor do the provincial plans—to provide the capital necessary to transfer all of the farms in existence in this country to the next generation. There are some 330,000 farmers in this country. In the province of Ontario the average farm is less than 200 acres, which really is a small farm. Traditionally the sale proceeds from a farm have always been enough for a farmer to move into town, to purchase a small house and to have a nest egg on which to live out the rest of his years. Inflation in the cities is high. With respect to the city of Calgary or the city of Lethbridge, I know that if a farmer has a quarter section of land and sells it, he does not have sufficient money to purchase a home and to have a nest egg. Until now mortgages back or agreements of sale gave a person sufficient money to put a downpayment on a house and, as the payments came in, the farmer was able to pay the mortgage on his house plus the capital gains tax. Under the present provisions of the budget that will become impossible and, frankly, I think we will see a very real disruption which will be a disservice to the farm community.

The parliamentary secretary spends a lot of time in this House. I recall that the hon. member for Ottawa-Centre (Mr. Evans) was here at 6.15 one morning when I harangued the government. He certainly is faithful in that respect. I ask him to consider throwing away the speech which may have been prepared for him by government officials and to tell me frankly whether the Minister of Finance (Mr. MacEachen) was really aware of the effect of these budget provisions on the farm family community. I know he is briefed by all sorts of different departmental officials. Clearly the budget provisions are designed to solve problems. I think there were abuses in some cases, but I submit that in this case there were no abuses. We need a response, and we need changes. Did the Minister of Agriculture (Mr. Whelan) give any advice before these changes were put into the budget? If so, what was it? Since the budget has come out, has the Minister of Agriculture made representations to the Minister of Finance on behalf of the farm community similar to the ones I am now making?

Mr. John Evans (Parliamentary Secretary to Deputy Prime Minister and Minister of Finance): Mr. Speaker, I want to make some structured comments about the nature of the new provisions which are being introduced to offset the withdrawal of the income-averaging annuity contracts, the capital gains reserve provision and, indeed, the general-averaging provisions, but at the outset I would like to say to my friend, the hon. member for Lethbridge-Foothills (Mr. Thacker), that subsequent to the budget, the minister has received a great many representations, including the representations the hon. member made in his question to the Prime Minister (Mr. Trudeau).

I was in Regina all last weekend talking to farmers at a Liberal party convention. I am sure I talked to more than 40 or 50 farmers who raised issues similar to those the hon. member has raised tonight. I was able to allay the concerns of a large number of those individuals with the explanations I was able to give with regard to the forward-averaging provision and other provisions that relate thereto. However, they were able to put in particular questions about forward-averaging provisions which I was not sure handled the problem. These have been brought back and referred directly to the minister for his consideration.

● (2225)

The minister, as he said in the House earlier, is willing to look into all those areas where problems are caused as a result of provisions proposed in the budget. He is prepared to be flexible with regard to matters of timing and so on.

The minister is aware of the kinds of concerns being expressed by the hon. member for Lethbridge-Foothills. I am aware of them fully and I apprised the officials of the department of them this afternoon by relating to them the concerns raised with me by the farmers I talked to in Regina. The minister will be considering these upon his return from Halifax.

As the hon. member has indicated, these provisions for averaging were originally put in place to allow precisely for an averaging of an unusual lump of income over a period of time so that an individual would pay on average the standard tax rate to which his income would normally draw. The problem that arose was that in addition to the averaging provisions, there arose a problem of tax deferral, and in some cases tax deferral for very long periods of time, that was not intended by the original provisions. The three original provisions together tended to overlap a bit and caused some additional problems.

We believe that the forward averaging provision provides in the vast majority of cases not only an adequate averaging provision for Canadians, but also a superior averaging provision to those made available through the other mechanism. This is why the new measures were introduced. We believe they can be make made workable in a vast number of cases. The minister is willing to consider those cases where the forward averaging provision may present difficulties for Canadians.

The Acting Speaker (Mr. Blaker): The motion to adjourn the House is now deemed to have been adopted. accordingly, this House stands adjourned until tomorrow at 2 p.m.

At 10.28 the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Tuesday, November 24, 1981

The House met at 2 p.m.

• (1405)

ROUTINE PROCEEDINGS

[*English*]

THE CONSTITUTION

AGREEMENT ON CONTENTS—MOTION UNDER S.O. 43

Hon. Jake Epp (Provencher): Madam Speaker, I rise under the provisions of Standing Order 43 on a matter of urgent and pressing necessity. Whereas ten first ministers representing and reflecting the diversity of Canada were able to put aside their personal, political and sectional interests in order to reach a compromise which will provide Canadians with a patriated Constitution containing a flexible amending formula, a Charter of Rights and Freedoms, and includes equal rights for men and women, I move, seconded by the hon. member for Nepean-Carleton (Mr. Baker):

That this House reaffirms its faith and commitment to the Canadian federal principle of compromise and consensus which has served this country well for 114 years.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Mr. Epp: Madam Speaker, I am pleased, on behalf of our party, that the members of this House have accepted this motion in the unanimous spirit which we have just seen displayed.

We believe that it is important to serve notice that this House believes the federal principle can work. Over the last number of weeks we have seen demonstrated, despite the acrimony that has prevailed and surrounded the constitutional question, that in fact compromise, consensus and agreement can be found.

Some hon. Members: Hear, hear!

Mr. Epp: Over the past year many Canadians must have begun to wonder whether the federal system to which this House has just reaffirmed its commitment could, in fact, work. The atmosphere surrounding federal-provincial discussions was one which often appeared to be without those traditional Canadian virtues of mutual trust, moderation and compromise.

As has been said so often by our leader, the federal system can work if those of us in it want to make it work.

Some hon. Members: Hear, hear!

Mr. Epp: It is important, in view of that working ability which the federal system has again demonstrated, that we review what has in fact happened through compromise and through agreement. First, we have seen that the first ministers of Canada are willing to make the federal system work for the benefit of all Canadians. They have reached an agreement on contentious issues such as an amending formula and a Charter of Rights and Freedoms. The first ministers should be congratulated for their flexibility and also for the fact that they abandoned antagonistic stands, and made significant concessions.

What they have produced is a document which has been called typically Canadian. Certainly it was drafted within the fine Canadian tradition of compromise and consensus. A Charter of Rights and Freedoms and amending formula now reflect and represent the Canadian federation in all its diversity.

As has been mentioned, Madam Speaker, we should be able to expect in this country that diversity should not only be fostered but that it should, in fact, be encouraged.

We often say in this House that diversity is our strength. So often, on the other hand, we see legislation or approaches taken which in fact violate that very diversity. After those initial steps taken toward a new Constitution, I believe that the later additions to the accord have further demonstrated that agreement can be found. What are some of those agreements?

First, it is important to remember that Canadians were anxious that the Charter of Rights and Freedoms should apply equally to men and women. That is a position which has been unanimously adopted by this House. As well, special groups and individual Canadians applied pressure on the government and on Members of Parliament, as well as using gentle persuasion on those who had some contacts with Members of Parliament who were to make a decision.

• (1410)

Canadians were also anxious that the aboriginal and treaty rights of native people should be preserved under the new Constitution, and again everyone played his or her role in trying to alter the agreement which was reached by the first ministers.

There was criticism that, by suggesting amendments, our party was in fact going to break the accord. That was never our intention or our purpose. However, it was our purpose and

our belief that the accord itself could be improved through this Parliament.

Through intergovernmental negotiation and compromise, ten Canadian governments have responded to these concerns and have now expressed their willingness to change their original agreement in order to ensure that the final constitutional accord will truly reflect Canadian society. Again the first ministers have proved that the federal system can and does work, and that they are willing to make it work for the benefit of all Canadians.

Traditional Canadian virtues of trust and moderation inherent in our federal system, of which we have spoken earlier, have now been reasserted and reconfirmed. The last 114 years have not been a failure. The last 114 years have seen the growth of a country and the inclusion of additional provinces to make it the ten we now have, and many of us have the fond hope that to those ten will be added the Northwest Territories and Yukon at some future date.

The last days have also taught us one other lesson, and that is that, in the new era of federal-provincial discussions, Canadians must be vigilant. And governments should be aware of this new vigilance on the part of Canadians and that what is going on behind closed doors cannot be left behind closed doors. Somebody mentioned yesterday that if women should ever have been in the kitchen, they should have been in the kitchen when the accord was drafted.

I say to Your Honour, and to all members of the House, that this accord should lead to a more open and tolerant view not only of our differences but also in the discussions of those differences as they lead to the accords we all seek. Given the events of the past year it is important for this House to reaffirm its commitment to the Canadian federal tradition of compromise and consensus, and I thank the House for accepting the motion.

Miss Coline Campbell (South West Nova): Madam Speaker, I too would like to speak to this motion under Standing Order 43 and to thank the House for giving its unanimous consent. I applaud the ten first ministers who finally saw the light. If it had not been for the unity of women across Canada, whether they were in the kitchen or out of the kitchen, we probably would not have the inclusion of Section 28 in the charter. This has been a progression starting way back, probably with the Royal Commission on the Status of Women.

During the past weeks the minister responsible for the status of women, and all the women in this House, have worked on this in one way or another. There have been efforts put forth by provincial and federal advisory councils—

Some hon. Members: Question.

Miss Campbell: I am sorry. There are still a few seconds left. It might hurt hon. members opposite, but certain things need to be said in this debate.

The Advisory Council on the Status of Women—

Some hon. Members: Question.

Some hon. Members: Oh, oh!

Madam Speaker: Order, please. Oral Questions.

Some hon. Members: Shame!

• (1415)

ORAL QUESTION PERIOD

[*English*]

HAZARDOUS SUBSTANCES

UREA FORMALDEHYDE FOAM INSULATION—REFUSAL OF MORTGAGES TO AFFECTED HOME OWNERS

Mr. Geoff Scott (Hamilton-Wentworth): Madam Speaker, we on this side of the House have known for many months the havoc that the government has created with the urea formaldehyde foam insulation problem. We are now seeing the magnitude of that problem. Now it is no longer just a health problem. It is no longer just a problem of corrosion and a resulting fire hazard. It is a problem which means potential economic disaster for 80,000 to 100,000 home owners who have UFFI in their homes. Therefore I have a question for the minister responsible for CMHC.

Mortgage lenders, trust companies, banks and financial institutions are refusing to guarantee mortgages to people whose homes are insulated with urea formaldehyde foam insulation. What can these home owners do?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, Canada Mortage and Housing Corporation is involved in the insurance of mortgage funds, as well as the financial institutions mentioned by the hon. member. In fact CMHC is probably the major insurer of that type of funding in the private residential sector. I say to the hon. member, and to others who may have seen some press coverage earlier today, that Canada Mortgage and Housing Corporation policy is not changed. It will continue to insure homes insulated with this material. There is nothing different today from what there was yesterday in the insuring operation of Canada Mortgage and Housing Corporation, which is the major insurer in this country.

ROLE OF CANADA MORTGAGE AND HOUSING CORPORATION APPRAISERS

Mr. Geoff Scott (Hamilton-Wentworth): Madam Speaker, there is absolutely no question that the minister's department and CMHC have been involved with this and that the government has been a co-conspirator in the whole UFFI mess from the beginning. In the meantime we are concerned about those people whose mortgages come up for renewal today, tomorrow, and next week. What instructions did the minister give to CMHC appraisers if they run into local buyer resistance when a mortgage is up for renewal—not when the house is up for sale but when the mortgage is up for renewal?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, I guess I should repeat my answer. Possibly the hon. member did not get the significance of it. There is nothing different in the operation of CMHC as an insurer today with respect to homes that have UFFI than pertained yesterday or at any time. Nor is there any difference in the way CMHC is dealing with homes with this material or with any other home. No instructions were given to the contrary, or anything specific dealing with this substance.

REQUEST FOR GUARANTEE OF MORTGAGES

Mr. Geoff Scott (Hamilton-Wentworth): Madam Speaker, just so that people will be absolutely sure, if they have installed urea formaldehyde home insulation in their homes, thanks to this government, just so they can be reassured, and before the government comes up with a decision to remove the foam and compensate people who have a problem, has the government considered guaranteeing mortgages to all home owners with UFFI and, if not, why not?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, I welcome the interest of the hon. member and his party in this issue. It is unfortunate that the question was not directed to the minister responsible for the government response in this area, the Minister of Consumer and Corporate Affairs, who is not here today but has been here for months, available to answer questions of hon. members opposite.

Some hon. Members: Oh, oh!

REQUEST FOR COMPENSATION TO HOME OWNERS

Hon. James A. McGrath (St. John's East): Madam Speaker, I have a supplementary question for the minister responsible for housing. He was given notice of this question and will know that the question arises today because of press reports that his department is warning its appraisers not to accept the risk of houses with UFFI insulation. That is why the question is being raised today.

It has been four years since CMHC approved UFFI under the CHIP program. It is one year since it was banned by the government. Does the government intend to provide assistance, in the form of compensation, for the 100,000 Canadian householders who have been made the lepers of the housing industry, the untouchables, because of the negligence of this government?

• (1420)

Hon. Paul J. Cosgrove (Minister of Public Works): Obviously I would be wasting the time of the House to repeat the answer I have given twice to the hon. member's colleague when I indicated that there were no instructions or anything different given to CMHC officials from what pertained yesterday, no instructions that set UFFI in a different category from any other. If the hon. member did not hear that I will say it again, and I apologize to all other hon. members in the House for saying it.

Again, Madam Speaker, I guess if the hon. member cannot hear what I say today, although he has taken the opportunity of giving notice of his question, obviously he has not done any research because that question was asked before in this House. The answer is that the Minister of Consumer and Corporate Affairs is the lead minister, the government is considering this matter, and it is close to making a decision on it. We are awaiting the decision of the special appeal board on the question of whether the government's decision to ban will stand or not. I admit it is a matter that has some long history. It is a history, Madam Speaker, by the way, that pertained at the time that his government was in power for nine months. He might reflect on the actions of his government during that period of time.

QUERY RESPECTING GOVERNMENT'S INTENTIONS

Hon. James A. McGrath (St. John's East): Madam Speaker, the fact is the minister is right. No instructions are forthcoming from this minister or this government, and hence 100,000 householders in this country have been hung out to dry. That is the problem.

On September 22 the minister of state from Quebec, his seat-mate, said, and I quote:

> The government is not excluding the possibility of considering various types of technical and financial assistance.

That was a press release, Madam Speaker. Since last June we have been waiting for the report of the hazardous product review board.

My question to the minister is very simple and straightforward, and I ask it on behalf of these 100,000 Canadians who cannot sell their houses and now, because of his negligence, they cannot get mortgages on their houses. Given those circumstances, and given the government's culpability and responsibility, does the government intend to provide any form of compensation or financial assistance to these 100,000 unfortunate Canadians?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, I would recommend that officers under your direction who are responsible for the audio provisions and audio services of this House—

An hon. Member: Why do you not answer the question?

Mr. Cosgrove: —check the audio available to the hon. member, because for the fourth time I have to say to him that the provisions of Canada Mortgage and Housing Corporation and its policy with regard to insurance for homes that have UFFI are no different today than they were yesterday. I have to take issue with that misstatement. Perhaps the hon. member did not mean to say it, or he has not heard my answer three times previously. There is no difference in the underwriting practices of CMHC that pertain to UFFI today from what

there was yesterday. Such a house is not any different from any other home that has any other insulation in it.

I guess the hon. member again has not done his research and he does not know that the Minister of Consumer and Corporate Affairs will be reporting to the House not only on the results of the special committee that is reviewing it but on the results of 2,400 homes that have been studied, on the results of the National Research Council which is looking into it, and on the advice and expert opinion that we will be receiving from other countries. That will be before the government and the House shortly.

QUERY RESPECTING MINISTER'S PLANS

Mr. Ray Skelly (Comox-Powell River): Madam Speaker, my question again is for the minister responsible for CMHC. The press today mentions Donald Munro as the assistant underwriting official in his department. He gave some very extensive quotes in the newspaper article about how they would not even handle these mortgages, period, but then reconsidered and asked that the matter be seriously downgraded. We are asking the minister, Madam Speaker, who is in charge over there? Obviously it is not he.

We have done our research. It has all been very carefully worked out. We have noticed that we really do now know who is in charge over there. They keep passing the buck down to health, up to consumer and corporate affairs, and over to the minister. It is really a device to obfuscate on this. My question has been put several times. You have 100,000 Canadian homes, half a million Canadians, with one of the most serious problems this country has ever faced, and the government is doing absolutely nothing. What will the minister or the government do? What is the minister prepared to do on this issue?

• (1425)

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, I am prepared to repeat my answer for the fifth time.

Some hon. Members: Oh, oh!

REQUEST THAT GOVERNMENT OFFICIALS MEET WITH HOME OWNERS

Mr. Ray Skelly (Comox-Powell River): Madam Speaker, obviously that is an inadequate answer, and typical. There are thousands of people in the city of Vancouver and on the coast of British Columbia who have experienced this. We have turned in many petitions. People in those communities asked to meet with the Prime Minister and to meet with a senator in cabinet responsible for that, and they have been clearly turned down. Will the minister explain why officials in cabinet or in government are not prepared to meet with people who are experiencing the problem?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, many members on this side—and as the hon. member says on the other side—have received representations, not only from industry but from home owners, from one side of the country to the other. I assure the hon. member that there are dozens of members, including myself, who have made submissions, to the members who are on the committee with the Minister of Consumer and Corporate Affairs.

MINISTERIAL STATEMENTS

Mr. Ray Skelly (Comox-Powell River): Madam Speaker, the minister who occupies the seat beside the minister responsible for CMHC, again as it was pointed out, made certain statements about government commitments, financial and otherwise. This is a serious health problem. The government has ripped off the equity of many Canadians. Could the minister basically tell the House what was the background, or for what reason did he make these commitments to people that there would be financial assistance to Canadians who suffered from this problem?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, the hon. member began his questioning by saying that he had done his research. Obviously he has not researched that question, it having been asked earlier in the session, nor did he research the answer which was given.

* * *

[*Translation*]

INDUSTRY

INQUIRY RESPECTING NUMBER OF EMPLOYEES WHO WILL RESUME WORK IN FOOTWEAR INDUSTRY

Hon. Roch La Salle (Joliette): Madam Speaker, my question is directed to the Minister of Industry, Trade and Commerce. The minister probably knows that the Shoe Manufacturers' Association of Canada announced that since September, 1981, 2,800 workers have lost their jobs in this industry. In view of the minister's statement this morning concerning the new policy for the next three years, and assuming that the minister has had his new policy carefully researched, could the minister tell the House how many workers, out of the 2,800 who lost their jobs, will be able to get their jobs back in the footwear industry, considering the projections made in his statement this morning?

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Madam Speaker, I believe that many of these lay-offs have occurred because the Canadian footwear market is soft, and not only as a result of the pressure created by imports. However, in the policy announced today, we have introduced a quota system that will apply to all imports of non-leather footwear. This would prevent the present pressure from increasing at the same rate, and I feel that with this quota system and the modernization plan I have announced, the situation for employees in this important industry will improve; I hope that will be the case.

Mr. La Salle: Madam Speaker, I am truly appalled by the minister's reply; in fact he was absolutely unable to tell us how many of these 2,800 workers, who are in the same circumstances as so many others who were laid off temporarily during the last few months, will be able to get their jobs back in that industry, in view of his new policy. From the proposals the minister made in his statement, it is clear that a number of these employees will not be able to go back to jobs in the footwear industry. It is important that Canadians should know the facts. I shall ask my question again. Could the minister tell the House—in fact I think he could—what percentage of the 2,800 workers will be able to get jobs again in the footwear industry, and how does he expect us to believe there is a possibility, when imports this year will take about 60 per cent of the market, which is exactly what caused lay-offs in the first place, also considering last year's rate of 61 per cent.

Mr. Gray: Madam Speaker, the policy we announced this morning follows the broad outlines of a report prepared by the Anti-Dumping Tribunal. It is something the footwear industry has wanted for some time. In my opinion, Madam Speaker, the quota system we announced today, especially since it applies to non-leather footwear, will somewhat relieve the pressure on our industry in the non-leather footwear sector, because most of these lay-offs are occurring in that sector. That is why I feel the quota system could improve the situation.

• (1430)

[*English*]

LEVEL OF QUOTA ON FOOTWEAR IMPORTS

Mr. John McDermid (Brampton-Georgetown): Madam Speaker, my question is for the Minister of Industry, Trade and Commerce who gave the footwear manufacturers their final breakfast today when he announced the lifting of the quota covering leather footwear, and establishing a global quota on all non-leather footwear and canvas footwear much higher than is being imported at present. Why would the minister give another Canadian industry, at a time when we see all kinds of lay-offs, a kick in the teeth with a frozen boot just when it was getting back on its feet? This means that 15,000 jobs will be affected by the policy that the minister announced today. Why would he announce the lifting of a quota at a time when jobs need to be preserved in Canada instead of the industry being faced with lay-offs?

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Madam Speaker, we announced today a balanced program with two basic elements. The first is a substantial program with a budget of $17 million to assist in the modernization and the restructuring of that industry to help preserve jobs and strengthen job opportunities. This program will be administered by the Canadian Industrial Renewal Board. In order that this program has an opportunity to work, we also announced a new program involving global quotas on imports from all countries of shoes which are manufactured with a

covering other than leather. We have included something in that quota that the industry asked for, and that is shoes made of canvas. That was not covered in the original quota system. It is not correct to say that we have set a base figure higher than the existing one, because the existing one does not cover canvas footwear.

In announcing the program today we were responding to the broad lines of the report of the Anti-Dumping Tribunal which said that our industry is now in a position to meet competition from developed countries, including state trading countries. These are the main source of imports of leather footwear. We are following the recommendations of this major report which received the enthusiastic support of many members opposite. In addition to that, we are putting in place the major program to assist in the modernization and strengthening of the Canadian footwear industry.

EFFECT ON COMMUNITIES AND EMPLOYMENT

Mr. John McDermid (Brampton-Georgetown): Madam Speaker, that program is going to help Mitsubishi which has 125 employees in Canada and is the forty-ninth largest company in Canada, with sales of $1.25 billion. Mr. Ted Rowe, chairman of the Canadian Shoe Manufacturers Association, has stated that it is a "$17 million sham." If the minister thinks this is going to create jobs, why is he giving money to communities to diversify because of the effect of this policy, and also providing early retirement benefits to affected workers with lengthy work records in the industry?

Mr. Baker (Nepean-Carleton): Give them a gold watch and a pair of shoes!

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Madam Speaker, we are putting forward a modernization program to strengthen job opportunities through having a more efficient and up-to-date industry. To the extent that there are companies not able to modernize, I am sure my hon. friend would want us to work to ensure alternative job opportunities. I gather from what my hon. friend says that he would prefer people to be out of work. That is not our position.

An hon. Member: Shame!

* * *

[*Translation*]

HOUSE OF COMMONS

PRESENCE IN GALLERY OF THE VICE-PRESIDENT AND SECRETARY OF STATE FOR INTERNATIONAL CO-OPERATION OF ZAIRE

Madam Speaker: I should like to draw the attention of the House to the distinguished presence in our gallery of Mr. Lengema Dulia Yubassa Makanga, Vice-Prime Minister and Secretary of State for International Co-operation of Zaire.

Some hon. Members: Hear, hear!

Oral Questions

[*English*]

RAILWAYS

CROWSNEST PASS RATE—GOVERNMENT POSITION

Mr. Doug Anguish (The Battlefords-Meadow Lake): Madam Speaker, it has always been a position of the federal New Democratic Party to support the Crow rate. My question is to the Minister of Transport. I understand that at a recent meeting of the Manitoba Wheat Pool Elevators he announced that a bill will be coming before Parliament shortly to change the Crow rate. In light of the statement the Prime Minister made earlier this year in the House that there would be no change in the Crow rate until there was consensus in western Canada, and now that the province of Saskatchewan and also the province of Manitoba support retention of the Crow rate, what is the government's position with regard to the Crow rate at this time?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, I answered a question on the same subject last week at which time I indicated that, following the budget which assigns $1.3 billion to western transportation, the government was going to decide on which way to spend it. I said the other day that there were two broad possible approaches. One was a comprehensive approach which would include the Crow rate modernization, and the other was a special project approach. This debate is before cabinet now and I will advise my hon. friend when a decision is made.

REGINA RALLY IN SUPPORT OF RATE RETENTION

Mr. Doug Anguish (The Battlefords-Meadow Lake): Madam Speaker, I understand that there is a rally in Regina today in support of the Crow rate. The minister in charge of the Wheat Board, who has been a great advocate of retention of the Crow rate, was supposed to have been addressing that rally in Regina at this very hour. From a phone call to his office I have found out that he is not at that meeting in Regina but is in his office in Ottawa. I would ask the minister, if he has not already made a decision on the Crow rate and if he does not have his tail tucked between his legs here in Ottawa, eating Crow, when that decision will be made.

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, both the Minister of State responsible for the Canadian Wheat Board and myself are due to address the Saskatchewan Wheat Pool in the coming days. I think he does so tomorrow and I do so on Thursday. Both of us will have ample opportunity to express our views on that subject at this time.

But there is one thing about which both of us agree enthusiastically and strongly, and that is that measures have to be taken now to make sure that western Canada will have the best possible transportation system. That means enhancing very substantially the main line capacity of that railway system. That will be done.

[*Translation*]

THE CONSTITUTION

REQUEST THAT RESOLUTION CONSIDERED IN QUEBEC NATIONAL ASSEMBLY BE CONSIDERED AT CONSTITUTIONAL CONFERENCE

Mr. Gilles Marceau (Jonquière): Madam Speaker, my question is directed to the Minister of Justice, whom I wish to congratulate on the agreement reached on equality of women and aboriginal rights. Starting today and during the next few days, the Quebec National Assembly will be debating an important resolution containing basic principles for the future of Canada, that is, the principle of Canadian duality and special status for Quebec. Although he is not now considering this resolution, is the minister prepared to give the House the assurance that the constitutional process will not end once the resolution has been passed here in Ottawa, and second, that the contents and the basic principles of this resolution will be discussed at a future constitutional conference?

Hon. Jean Chrétien (Minister of Justice and Minister of State for Social Development): Madam Speaker, I can assure the hon. member that the constitutional process will not end after the vote to be held shortly on the resolution. This is the first stage in developing a new constitution for Canadians. There will be other conferences. In fact, one is to be held some time during the next few months, in order to discuss, with the provinces, how yesterday's agreement on aboriginal rights is to be implemented. There will be further stages in the discussion on the Constitution and obviously, if the Government of Quebec wishes to continue the debate in order to amend more specifically the three elements with which it cannot agree at this time, we are always prepared to discuss these issues. I regret it has not been possible to have discussions on this matter during the last two or three weeks, because according to my information at this time, the provinces would have been prepared to consider various amendments that might have been satifactory to the government of Quebec. But in any case, I can give the hon. member the assurance that we are prepared to make changes later, since then we will finally have the Constitution here in Canada, with a mechanism for amending the Constitution in Canada, without going through the British Parliament. Therefore if the government of the province of Quebec does not make a decision within the next few days, the door will still be open and attempts to improve the situation can still be made. I am sure that the other provinces will be willing to consider any reasonable proposals.

• (1440)

[*English*]

ADMINISTRATION OF JUSTICE

PROCEEDINGS IN TRIAL OF ROYAL CANADIAN MOUNTED POLICE OFFICERS

Hon. Allan Lawrence (Durham-Northumberland): Madam Speaker, Bill C-43, the access to information bill, a government bill which has been accepted in principle by this House, would restrict ministers of the Crown from denying public access to certain documents. Contrary to the spirit and the terms of that bill, an affidavit which has been executed by the Solicitor General and which was presented to a Montreal court this morning, prevents the production of 33 documents required for the defence of 17 RCMP officers who have been charged with various criminal offences.

My question to the Solicitor General is simply this: when this trial relates to events which occurred over ten years ago, what possible harm—except, perhaps, to the political credibility and embarrassment of some who are still here—would occur if these documents were used in court as a defence for those who are charged?

Some hon. Members: Hear, hear!

Hon. Bob Kaplan (Solicitor General): Madam Speaker, all of the documents in question, which were the subject of my certificate this morning, are documents to which the McDonald commission had full access in its work. The McDonald commission made public certain portions of those documents and recommended that other portions not be made public. I followed exactly that recommendation and, of course, have not withheld any documents which were made public in that process. However, I would remind the hon. member that the McDonald commission made a decision very recently concerning matters of national security and cabinet confidence. The decisions which they made are simply expressed in the certificate that I signed this morning.

Some hon. Members: Hear, hear!

Mr. Lawrence: I remind the Solicitor General that none of these documents have been produced by the government as of yet, and none have been produced in that Montreal court case. Second, of course, we are not dealing with the judgment of the McDonald commission. We are dealing with the liberty of individuals who are charged with a criminal offence.

COST TO TAXPAYERS

Hon. Allan Lawrence (Durham-Northumberland): My supplementary question is directed to the Solicitor General. Because the taxpayers of this country are footing the bill for the government lawyers who are objecting to the release of this documentation and, at the same time, because public funds are being used in the defence of these officers who want to produce these very same documents, does it make sense that the taxpayers are paying for both of these contradictory arguments?

Hon. Bob Kaplan (Solicitor General): Madam Speaker, I hope the hon. member is not suggesting that the Mounties should not be provided with defence at public expense, because I think they should.

Mr. Lawrence: No; I am saying call off those objecting.

An hon. Member: Produce the documents.

Mr. Kaplan: The hon. member knows, or should know, from the office that he held in the previous administration, that there were matters before the McDonald commission and documents produced to the McDonald commission which were not appropriate to be made public. The McDonald commission did examine those, and hon. members are aware of the findings which were made on the basis of that very full examination. The subject of my certificate is simply an implementation, an acceptance of the classification and declassification decisions which were recommended by that commission.

Some hon. Members: Hear, hear!

* * *

VIA RAIL

FUTURE OF TORONTO-HAVELOCK LINE

Mr. Pat Nowlan (Annapolis Valley-Hants): Madam Speaker, my question is directed to the Minister of Transport. I would like to ask the minister whether he could confirm that he intends to meet soon with the minister of transport of Ontario to finalize arrangements because of the dual purpose of the Toronto-Havelock line, the VIA portion of which was cancelled, and that, because of the dual nature of that line, there will be an arrangement for joint financing of that line so that this line can continue.

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, I would like to remind the House of what was said. It was said that some commuter-type routes might be taken over by the provinces. We assigned a longer period of time to make this possible. On a number of occasions, privately and quite publicly, Mr. Snow has expressed the wish, which I find to be very logical, that the federal government should give to the provinces the same kind of financial status that the federal government has by way of VIA, in operating these lines at present. That is a reference to costing order 63-13 of the CTC. In recent days CNR has offered that regime to the city of Montreal in the province of Quebec with respect to the operating of commuter type lines in Montreal. I am not sure about the CP, but the CN would surely be quite willing to offer the same advantage to the province of Ontario should it decide to operate those three—Stouffville, Barrie and Havelock—in the Toronto area.

Oral Questions

QUERY RESPECTING ASSISTANCE FOR COMMUTER LINES

Mr. Pat Nowlan (Annapolis Valley-Hants): Madam Speaker, I thank the minister for the answer, as far as it went. But surely if there are circumstances which define the Havelock-Toronto line as unique because of being intercity or commuter, the same reasoning could apply to other parts of the VIA Rail service which were cut out, such as the Atlantic, which is interprovincial and/or commuter and/or out of Edmonton, which is the only way to get to the coast. If help is being offered to the Havelock-Toronto situation, with funding from the federal government, surely the minister will offer the same help to other portions of the VIA Rail service which have been eliminated at the moment. Would he confirm that he would?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, the situation to which the hon. member refers is not the situation existing in the Toronto area or, for that matter, in the Montreal area. The situations there essentially involve routes which were previously inter-city and which, de facto, because of growth of metropolitan areas, have become commuter type routes. That situation is entirely different, and that is why the treatment of it is quite different too.

In the first case we proceeded to elimination and reduction right away. In the second, we gave ourselves a longer period of time in order to discuss the matter with the provinces. However, I believe that agreement will be reached. It may be that the Havelock route will not be completely maintained, but some of it will be maintained because it has a commuter type of operation.

* * *

COMMUNICATIONS

RECEPTION OF TELEVISION SIGNALS FROM CANCOM SATELLITE

Mr. Maurice Foster (Algoma): Madam Speaker, my question is directed to the Minister of Communications. In view of the uncertainty in many areas of northern Canada as to the legal status of receiving signals from United States TV satellites, can the minister clarify the arrangement which will apply to communities receiving TV from the CanCom satellite? Will these local cable TV systems in northern Ontario and in other parts of northern Canada receiving the CanCom signal be permitted to receive signals from the U.S. TV satellites as well?

Hon. Francis Fox (Minister of Communications): Madam Speaker, as the hon. member points out, during the course of the past year we have proceeded with the extension of services to every part of Canada and delivery via satellite. The answer to his question is that the CanCom licensees are authorized to receive the signals that the CRTC has authorized them to receive.

Concerning the wider question of access to U.S. programming, I believe it is, indeed, in the interests of all Canadians that we come to some situation where there is an equalization of viewing opportunities across the country. We are presently looking into the matter within the Department of Communications.

* * *

SMALL BUSINESS

TREATMENT OF SMALL BUSINESSES BY CHARTERED BANKS

Mr. Jack Shields (Athabasca): Madam Speaker, my question is directed to the Minister of State responsible for small businesses. Since the Liberal government budget of November 12, the Royal Bank of Canada, the Bank of Nova Scotia and the Toronto-Dominion Bank have ceased to accept applications under the Small Business Development Bond. I am sure that the minister is aware of this. Could the minister explain to the House what incentives there are for the banks to loan money to small businesses in financial difficulty?

[*Translation*]

Hon. Charles Lapointe (Minister of State (Small Businesses and Tourism)): Madam Speaker, I thank the hon. member for his question because it gives me the opportunity to clarify that the chartered banks, as mentioned by the hon. member, have indeed indicated to their various branches that they would impose a temporary moratorium on the implementation of the program in order to consolidate their criteria, as there are changes in the program. A meeting will be held early next week between the officials of Revenue Canada, Finance and the Small Business Secretariat in order to redefine the criteria of the new program as announced by the Minister of Finance, and by the end of November all chartered banks should be implementing it.

[*English*]

QUERY RESPECTING POSSIBLE CHANGES TO BUDGET

Mr. Jack Shields (Athabasca): Madam Speaker, my question is directed to the same minister. If, after the meeting, the criterion which is established does not satisfy the lending institutions or does not give the required incentive to the lending institutions, is the minister for small businesses prepared to make representation to the Minister of Finance to change the budget so that it will, indeed, help small business as the Small Business Development Bond was intended to do in the first place?

[*Translation*]

Hon. Charles Lapointe (Minister of State (Small Businesses and Tourism)): Madam Speaker, I think there is a hypothetical aspect to this question. I want to indicate to the hon. member that instead of pressuring the Minister of Finance into changing his budget, it is the banks that should be pressured, if they refuse to implement this program. But all the information that I now have indicates that—if I could finish my answer, Madam Speaker, perhaps, members would understand the situation better—as I was saying all the infor-

mation I have received from the banking community and the financial institutions indicates that they are in agreement.

* * *

• (1450)

[*English*]

PENSIONS

REQUEST FOR INCREASE IN BENEFITS

Mr. Neil Young (Beaches): Madam Speaker, my question is directed to the Minister of National Health and Welfare who, I understand, has now come into the House, and it concerns a recent report by the Ontario Status of Women Council which found that nearly half of all female senior citizens scrape by on a yearly income of less than $5,000 a year. Members on all sides of the House know that many women at this very moment are going hungry. Will the minister take immediate action to relieve this reprehensible situation by increasing pension benefits so that all senior citizens are guaranteed incomes above the poverty line?

Hon. Monique Bégin (Minister of National Health and Welfare): Madam Speaker, I would like to confirm that we did request funds as a first priority of the government as soon as the economy is a little better, because we are talking about a sum of $730 million to bring single pensioners, most of them being women, just above the poverty line. Of course nothing prevents the provincial government of Ontario from adding a "top-up" immediately to help the particular situation that the Council defined as one of great concern to all of us.

REQUEST FOR PENSIONS FOR FEMALE HOMEMAKERS

Mr. Neil Young (Beaches): Madam Speaker, my supplementary question is addressed to the same minister. As the minister is aware, part of the reason older women are poor is that as homemakers they accrue no pension benefits in their own right. Now that the minister's surveys have shown that most women who work at home cannot pay into the CPP, what measures is she prepared to take to ensure that women at home raising children will be able to accrue their own pension benefits?

Hon. Monique Bégin (Minister of National Health and Welfare): Madam Speaker, I can suggest to the hon. member what I will be most probably proposing, but I would have liked to hear what his party is proposing. I am still looking for some text on that. The only idea we have received in about ten years, since the report of the Royal Commission on the Status of Women has been published, is that the Canada Pension Plan should be opened up, either on a voluntary basis or in a compulsory fashion, to all women at home, so-called housewives, for contribution. They would make them in a way similar to a self-employed person. The reason this was not done earlier is, of course, because that would amount to some $30 or more a month, and women in the lowest income bracket, those most in need, would not have that money available.

I have finally accepted the idea to push, promote and discuss with women the options by which a majority of middle-class housewives could contribute, using a different means to help those with the lowest incomes.

* * *

[*Translation*]

THE CONSTITUTION

FRANCOPHONES OUTSIDE QUEBEC—PROTECTION OF RIGHTS

Mr. Jean-Robert Gauthier (Ottawa-Vanier): Madam Speaker, I have a supplementary to the question asked by the hon. member for Jonquière, also directed to the Minister of Justice. If I understand correctly, the minister said that the constitutional debate does not end now and that new developments will be possible at a future stage. I should like the Minister of Justice to explain two things to me and to the Canadian people. First, how can he guarantee the Canadian duality to which he refers, and second, with the proposed amending formula which requires the consent of seven provinces and 50 per cent of the Canadian population, how can he explain to francophones outside Quebec that at the present time, three provinces will guarantee the rights of francophone Canadians across Canada, but that in seven provinces they will be restricted as to their legal and legislative rights?

Hon. Jean Chrétien (Minister of Justice and Minister of State for Social Development): The answer is very simple, Madam Speaker. First of all, to everyone's surprise, the nine English-speaking provinces agreed to protect the education rights of francophones outside Quebec, which is a tremendous achievement and one which has given me great cause for rejoicing. There is still the matter of the courts and the proceedings in the legislatures. The Constitution of 1867 already provides for the use of both languages in the courts and legislatures in two cases, and this year we have made some progress because the government of New Brunswick has committed itself even further under Section 133, which provides francophones with better guarantees than those enjoyed by anglophones in Quebec. I do agree that it is unfortunate that Ontario has not decided to make French one of the languages used in the courts and in the Ontario legislature. However, in our charter and in our constitutional resolution, we have provided for a mechanism that will enable the provinces to make such changes through bilateral agreements, and I would ask the provinces to consider such action as soon as possible. In any case, we have made considerable progress by entrenching in the Constitution, here and now, that the Parliament of Canada and federal institutions shall always be bilingual.

Oral Questions

[*English*]

VETERANS AFFAIRS

AUDITOR GENERAL'S REPORT ON DEPARTMENT—DELAY IN PROCESSING PENSION APPLICATIONS

Mr. Dan McKenzie (Winnipeg-Assiniboine): Madam Speaker, my question is for the Minister of Veterans Affairs. The Standing Committee on Public Accounts yesterday tabled its report on the Auditor General's audit of the Department of Veterans Affairs. That report made a number of very incriminating condemnations of the serious ongoing problems within the department. The report calls on the government to make legislative changes to the present antiquated and archaic legislation so veterans would have their pensions processed within 180 days instead of the present four to five years. Will the minister assure this House that he will co-operate with the Pension Commission in drafting the new veterans affairs legislation as recommended by the Auditor General, the Public Accounts Committee, and the Conservative Party?

Hon. W. Bennett Campbell (Minister of Veterans Affairs): Madam Speaker, the hon. member is well aware that the administrative and adjudicative processes of the Pension Commission are now being reviewed. I can tell him that the new chairman of the commission has already undertaken a massive reorganization of the commission and we have seen fairly rapid results in that the backlog has now been reduced by over 500 in a little over a month, and it has also reduced the time period for phasing. Until such time as I can satisfy myself that it is necessary to introduce new legislation, I would like to have the review process completed prior to indicating to the House a commitment on that basis.

RECOMMENDATION MADE BY PUBLIC ACCOUNTS COMMITTEE

Mr. Dan McKenzie (Winnipeg-Assiniboine): Madam Speaker, the former chairman of the Pension Commission has said he was hamstrung by the present legislation and could not process the pensions any faster. The Public Accounts Committee has asked the Pension Commission to report before the committee prior to the end of March next year with a full recommendation on what type of legislation should be drafted, so we no longer will have this four to five-year processing period. Is the minister saying he will not comply with the Public Accounts Committee wish that the commission have this all completed by the end of March?

Hon. W. Bennett Campbell (Minister of Veterans Affairs): No, Madam Speaker, that is not what I am saying. What I am saying is that the review process is now going on. I anticipate receiving reports from Mr. McCracken within a month to a month and a half. Also, the commission itself is reviewing the recommendations of the Public Accounts Committee and will be responding within the established guidelines.

• (1500)

FOREIGN INVESTMENT REVIEW AGENCY

APPROVAL OF SALE OF TORONTO HOTEL TO HONG KONG INTERESTS

Mr. Benno Friesen (Surrey-White Rock-North Delta): Madam Speaker, my question is for the Minister of Industry, Trade and Commerce. Recently the Harbour Castle Hotel in Toronto, Campeau property, was sold to wealthy Hong Kong interests, more particularly interests controlled by Mr. Canning Fok. Will the minister advise the House how long it took to obtain FIRA approval for this action?

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Madam Speaker, I think it is well known that there are confidentiality requirements in the law—

Some hon. Members: Oh, oh!

Mr. Gray: —regarding the administration of FIRA. I can assure my hon. friend that the full process was followed and the decision that was announced about the transaction involved significant benefit for Canada, as stated in the relevant press release.

TIME TAKEN TO ISSUE AGENCY APPROVAL

Mr. Benno Friesen (Surrey-White Rock-North Delta): Would the minister tell the House what the average time is to gain approval through FIRA, because I can assure him that this approval only took a fraction of the average?

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Well, Madam Speaker, the time does vary, but I know—

Some hon. Members: Oh, oh!

Mr. Gray: —at least 50 per cent of the applications to FIRA are dealt with in three weeks or less.

* * *

BUSINESS OF THE HOUSE

Mr. Nielsen: Madam Speaker, I rise on a point of order concerning House business. My question is directed to the government House leader. We had discussions this morning which led to the arrangements that are being made for today. I am asking him to confirm those arrangements.

As I understand it, the member for Vaudreuil who now has the floor will be concluding his remarks. Next will be the member for Kingston and the Islands, who informs me that her contribution will take approximately 15 minutes. She will then be followed by one speaker from the New Democratic Party, immediately following which we will have a recorded division and, following the division, presumably the Minister of Justice or another minister of the Crown will introduce a

motion with respect to the restoration of aboriginal rights in the resolution.

I would ask the government House leader to confirm my understanding of those arrangements and, while doing so, perhaps he might indicate what the business will be for the remainder of the week.

[*Translation*]

Mr. Pinard: The statement made by the hon. member for Yukon is almost perfect. Indeed there will be a recorded vote if required. As I understand it, after the hon. member for the riding of Jewett has spoken on the amendment concerning women, Mr. Speaker will put the question to the House and if all members agree there will be no recorded vote. If, however, as indicated by the hon. member for Yukon, the Progressive Conservatives ask for a recorded vote, of course we will be here to vote and support the motion of the Leader of the Opposition in that respect. As for the rest, the statement of the hon. member for Yukon reflects the agreement we reached this morning.

As to the House business for tomorrow, contrary to what I announced last Friday, we will go on with the constitutional debate so as to enable more members to express their views and, consequently, the fifth day of the budget debate is postponed until Friday this week.

[*English*]

Mr. Nielsen: I did not hear the government House leader specifically delineate that the Constitution would be continued on Wednesday and on Thursday and that we would move on to the fifth day of the budget debate on Friday. Is that correct?

[*Translation*]

Mr. Pinard: We simply cannot hide anything from the hon. member. That is exactly what I have just said, and I am sure the hon. member for New Westminster-Coquitlam will forgive me for failing to remember the name of her riding, something which is very important.

[*English*]

Mr. Deans: Madam Speaker, I just want to make one minor correction. The House business as set out by both the House leader for the official opposition and the President of the Privy Council is correct. I know the House would be delighted to again hear the words of wisdom of the member for New Westminster-Coquitlam, whose knowledge of women's affairs is undoubtedly unparalleled. However, she spoke yesterday and we think that perhaps we will have the member for Vancouver East speak today.

[*Translation*]

Mr. Pinard: Madam Speaker, we fully agree that the hon. member for Vancouver East be allowed to express her views today, and that was the object of the agreement we have reached.

Order Paper Questions

ROUTINE PROCEEDINGS

[*Translation*]

SOCIAL SECURITY

TABLING OF COPY OF AGREEMENT BETWEEN CANADA AND UNITED STATES ON RECIPROCITY OF PENSIONS

Hon. Monique Bégin (Minister of National Health and Welfare): Madam Speaker, pursuant to Standing Order 41(2), it is my pleasure to table in both official languages a copy of the Agreement on Social Security, that is to say on pension reciprocity, between the Government of Canada and the government of the United States.

* * *

[*English*]

PETITION

MR. WENMAN—EFFECTS OF HIGH MORTGAGE INTEREST RATES

Mr. Robert Wenman (Fraser Valley West): Madam Speaker, I have the duty and responsibility to present a petition on behalf of my constituents as a method of expressing through direct representation the anger and frustration that they feel at the prospect of losing their homes. The purpose of this petition, signed by another 324 citizens of the Vancouver lower mainland, is to indicate that in spite of the budget, in spite of climbing interest rates, banks are still floating 18 per cent to 18½ per cent mortgage interest rates. The purpose remains, therefore, substantially the same, as these petitioners, along with thousands of other Canadians, find themselves day by day, more and more in dire straits.

The nature of this petition is to demand that the government lower interest rates and allow mortgage interest rates to become tax deductible. These petitioners realize that the vacuous budget presented by the government provides virtually no help whatsoever to alleviate this grievance. Therefore, the petitioners hope that you will sense, Madam Speaker, the urgency and desperation of this plea, find this petition in order and use the discretionary powers vested in your office to allow discussion on this matter so that a remedy may be found.

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QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, the following questions will be answered today: Nos. 1,798, 3,089, 3,094, 3,095, 3,097, 3,099, 3,100, 3,101, 3,106, 3,108, 3,110, 3,117, 3,118, 3,119, 3,120, 3,121 and 3,256.

Order Paper Questions

[*Text*]

ABOLITION OF CROWN ASSETS DISPOSAL CORPORATION

Question No. 1,798—**Mr. Cossitt:**

Will Crown Assets Disposal Corporation be abolished and be amalgamated with the Department of Supply and Services and, if so (a) on what date (b) for what reasons?

Hon. J.-J. Blais (Minister of Supply and Services): No, Crown Assets Disposal Corporation will not be abolished. However, the government has decided to integrate the staff and activities of Crown Assets Disposal Corporation into the Department of Supply and Services. Crown Assets Disposal will continue as a corporation with a board of directors in conformance with Section 15 of the Surplus Crown Assets Act.

A memorandum of understanding will be signed by the board of directors of the Crown Assets Disposal Corporation authorizing the supply administration of the Department of Supply and Services to carry out the functions of the CADC as a separate and distinct output service.

(a) The scheduled date for the integration of the activities of CADC into the Department of Supply and Services is January 11, 1982.

(b) The Glassco Royal Commission on Government Organization, Item 7, pages 141 and 142, Volume 2, recommended that "CADC be operated as a division of the proposed department of purchasing and supply and its personnel and method of operation be integrated as closely as possible with other functions of the department." In addition, in the Lambert commission report of March, 1979, one of the conclusions drawn was that "Crown Assets Disposal Corporation does not require an arm's length relationship from government because it is basically an integral part of the established departmental common service structure. It should function under the common service policies applicable to other organizations and be subject to the managment and accountability regime that we have prescribed for all departments".

The role of the supply administration of the Department of Supply and Services, as a common service agency, is to provide sound supply management in the federal government through the provision of goods and related services in support of the operational programs of other government departments and agencies. The supply administration is committed to the "total supply concept" which includes purchasing, acquisition management, warehousing, distribution, assets management and services management. The integration of the disposal activities of CADC into DSS is considered to be a significant and natural addition to the activities included in the "total supply concept".

CANADIAN ARSENALS LIMITED

Question No. 3,089—**Mr. Clarke:**

1. During the period 1970-80 did Canadian Arsenals Limited acquire shares or other ownership interest in any other corporation, limited liability company or unincorporated company and, if so, what was the (a) name of the corporation, limited liability company or unincorporated company and any subsidiaries thereof (b) percentage of equity acquired (c) cost of acquisition (d) book value of the acquisition?

2. Does Canadian Arsenals Limited have a plan to change the present portion of ownership in any of these enterprises and, if so, what is the plan?

Hon. J.-J. Blais (Minister of Supply and Services): I am informed by the Canadian Arsenals Limited as follows: 1. No. 2. Not applicable.

CANADIAN NATIONAL (WEST INDIES) STEAMSHIPS LTD.

Question No. 3,094—**Mr. Clarke:**

1. During the period 1970-80 did the Canadian National (West Indies) Steamships Limited acquire shares or other ownership interest in any other corporation, limited liability company or unincorporated company and, if so, what was the (a) name of the corporation, limited liability company or unincorporated company and any subsidiaries thereof (b) percentage of equity acquired (c) cost of acquisition (d) book value of the acquisition?

2. Does the Canadian National (West Indies) Steamships Limited have a plan to change the present portion of ownership in any of these enterprises and, if so, what is the plan?

Mr. Robert Bockstael (Parliamentary Secretary to Minister of Transport): Transport Canada advises as follows: 1. No. 2. Not applicable.

CANADIAN PATENTS AND DEVELOPMENT LIMITED

Question No. 3,095—**Mr. Clarke:**

1. During the period 1970-80 did Canadian Patents and Development Limited acquire shares or other ownership interest in any other corporation, limited liability company or unincorporated company and, if so, what was the (a) name of the corporation, limited liability company or unincorporated company and any subsidiaries thereof (b) percentage of equity acquired (c) cost of acquisition (d) book value of the acquisition?

2. Does Canadian Patents and Development Limited have a plan to change the present portion of ownership in any of these enterprises and, if so, what is the plan?

Hon. Herb Gray (Minister of Industry, Trade and Commerce): In so far as Canadian Patents and Development Limited is concerned: 1. No. 2. Not applicable.

CROWN ASSETS DISPOSAL CORPORATION

Question No. 3,097—**Mr. Clarke:**

1. During the period 1970-80 did the Crown Assets Disposal Corporation acquire shares or other ownership interest in any other corporation, limited liability company or unincorporated company and, if so, what was the (a) name of the corporation, limited liability company or unincorporated company and any subsidiaries thereof (b) percentage of equity acquired (c) cost of acquisition (d) book value of the acquisition?

2. Does the Crown Assets Disposal Corporation have a plan to change the present portion of ownership in any of these enterprises and, if so, what is the plan?

Hon. J.-J. Blais (Minister of Supply and Services): 1. No. 2. Not applicable.

NATIONAL BATTLEFIELDS COMMISSION

Question No. 3,099—**Mr. Clarke:**

1. During the period 1970-80 did the National Battlefields Commission acquire shares or other ownership interest in any other corporation, limited liability company or unincorporated company and, if so, what was the (a) name of the corporation, limited liability company or unincorporated company and any subsidiaries thereof (b) percentage of equity acquired (c) cost of acquisition (d) book value of the acquisition?

2. Does the National Battlefields Commission have a plan to change the present portion of ownership in any of these enterprises and, if so, what is the plan?

Hon. John Roberts (Minister of the Environment and Minister of State for Science and Technology): 1. No. 2. Not applicable.

NATIONAL CAPITAL COMMISSION

Question No. 3,100—**Mr. Clarke:**

1. During the period 1970-80 did the National Capital Commission acquire shares or other ownership interest in any other corporation, limited liability company or unincorporated company and, if so, what was the (a) name of the corporation, limited liability company or unincorporated company and any subsidiaries thereof (b) percentage of equity acquired (c) cost of acquisition (d) book value of the acquisition?

2. Does the National Capital Commission have a plan to change the present portion of ownership in any of these enterprises and, if so, what is the plan?

Hon. Paul J. Cosgrove (Minister of Public Works): 1. No. 2. Not applicable.

NATIONAL HARBOURS BOARD

Question No. 3,101—**Mr. Clarke:**

1. During the period 1970-80 did the National Harbours Board acquire shares or other ownership interest in any other corporation, limited liability company or unincorporated company and, if so, what was the (a) name of the corporation, limited liability company or unincorporated company and any subsidiaries thereof (b) percentage of equity acquired (c) cost of acquisition (d) book value of the acquisition?

2. Does the National Harbours Board have a plan to change the present portion of ownership in any of these enterprises and, if so, what is the plan?

Mr. Robert Bockstael (Parliamentary Secretary to Minister of Transport): The National Harbours Board advises as follows: 1. No. 2. Not applicable.

CANADA DEPOSIT INSURANCE CORPORATION

Question No. 3,106—**Mr. Clarke:**

1. During the period 1970-80 did the Canada Deposit Insurance Corporation acquire shares or other ownership interest in any other corporation, limited liability company or unincorporated company and, if so, what was the (a) name of the corporation, limited liability company or unincorporated company and any subsidiaries thereof (b) percentage of equity acquired (c) cost of acquisition (d) book value of the acquisition?

2. Does the Canada Deposit Insurance Corporation have a plan to change the present portion of ownership in any of these enterprises and, if so, what is the plan?

Hon. Pierre Bussières (Minister of State (Finance)): The Canada Deposit Insurance Corporation advises as follows: 1. No. 2. Not applicable.

TELEGLOBE CANADA

Question No. 3,108—**Mr. Clarke:**

1. During the period 1970-80 did the Canadian Overseas Telecommunication Corporation acquire shares or other ownership interest in any other corporation, limited liability company or unincorporated company and, if so, what was the (a) name of the corporation, limited liability company or unincorporated company and any subsidiaries thereof (b) percentage of equity acquired (c) cost of acquisition (d) book value of the acquisition?

2. Does the Canadian Overseas Telecommunication Corporation have a plan to change the present portion of ownership in any of these enterprises and, if so, what is the plan?

Mr. Jack Masters (Parliamentary Secretary to Minister of Communications): Canadian Overseas Telecommunication Corporation is now Teleglobe Canada. See reply to question No. 3,121 answered this day.

CANADA MORTGAGE AND HOUSING CORPORATION

Question No. 3,110—**Mr. Clarke:**

1. During the period 1970-80 did the Canada Mortgage and Housing Corporation acquire shares or other ownership interest in any other corporation, limited liability company or unincorporated company and, if so, what was the (a) name of the corporation, limited liability company or unincorporated company and any subsidiaries thereof (b) percentage of equity acquired (c) cost of acquisition (d) book value of the acquisition?

2. Does the Canada Mortgage and Housing Corporation have a plan to change the present portion of ownership in any of these enterprises and, if so, what is the plan?

Hon. Paul J. Cosgrove (Minister of Public Works): I am advised by Canada Mortgage and Housing Corporation as follows: 1. No. 2. Not applicable.

POLYSAR LIMITED

Question No. 3,117—**Mr. Clarke:**

1. During the period 1970-80 did the Polymer Corporation Limited acquire shares or other ownership interest in any other corporation, limited liability company or unincorporated company and, if so, what was the (a) name of the corporation, limited liability company or unincorporated company and any subsidiaries thereof (b) percentage of equity acquired (c) cost of acquisition (d) book value of the acquisition?

2. Does the Polymer Corporation Limited have a plan to change the present portion of ownership in any of these enterprises and, if so, what is the plan?

Hon. Pierre Bussières (Minister of State (Finance)): Polymer Corporation Limited was sold to Canada Development Corporation during 1972 and, during the early part of 1973, Polymer's name was changed to Polysar Limited. Polysar continues to be 100 per cent owned by CDC which is not a Crown corporation. Therefore, the hon. member's questions should be directed to either Polysar Limited or to CDC.

ST. LAWRENCE SEAWAY AUTHORITY

Question No. 3,118—**Mr. Clarke:**

1. During the period 1970-80 did The St. Lawrence Seaway Authority acquire shares or other ownership interest in any other corporation, limited liability company or unincorporated company and, if so, what was the (a) name of the corporation, limited liability company or unincorporated company and any

subsidiaries thereof (b) percentage of equity acquired (c) cost of acquisition (d) book value of the acquisition?

2. Does The St. Lawrence Seaway Authority have a plan to change the present portion of ownership in any of these enterprises and, if so, what is the plan?

Mr. Robert Bockstael (Parliamentary Secretary to Minister of Transport): The St. Lawrence Seaway Authority advises as follows: 1. Yes.

(a)	(b)	(c)	(d)
Great Lakes Pilotage Authority, Ltd.	100 per cent	$1,500	$1,500
The Jacques Cartier and Champlain Bridges, Inc.	100 per cent	$ 100	$ 100

2. No.

SEAWAY INTERNATIONAL BRIDGE CORP. LTD.

Question No. 3,119—**Mr. Clarke:**

1. During the period 1970-80 did The Seaway International Bridge Corporation Ltd. acquire shares or other ownership interest in any other corporation, limited liability company or unincorporated company and, if so, what was the (a) name of the corporation, limited liability company or unincorporated company and any subsidiaries thereof (b) percentage of equity acquired (c) cost of acquisition (d) book value of the acquisition?

2. Does The Seaway International Bridge Corporation Ltd. have a plan to change the present portion of ownership in any of these enterprises and, if so, what is the plan?

Mr. Robert Bockstael (Parliamentary Secretary to Minister of Transport): The Seaway International Bridge Corporation, Ltd., a subsidiary of The St. Lawrence Seaway Authority, advises as follows: 1. No. 2. Not applicable.

VIA RAIL

Question No. 3,120—**Mr. Clarke:**

1. During the period 1970-80 did VIA Rail Canada Inc. acquire shares or other ownership interest in any other corporation, limited liability company or unincorporated company and, if so, what was the (a) name of the corporation, limited liability company or unincorporated company and any subsidiaries thereof (b) percentage of equity acquired (c) cost of acquisition (d) book value of the acquisition?

2. Does VIA Rail Canada Inc. have a plan to change the present portion of ownership in any of these enterprises and, if so, what is the plan?

Mr. Robert Bockstael (Parliamentary Secretary to Minister of Transport): The management of VIA Rail Canada Inc. advises as follows: 1. No. 2. Not applicable.

TELEGLOBE CANADA

Question No. 3,121—**Mr. Clarke:**

1. During the period 1970-80 did Teleglobe Canada acquire shares or other ownership interest in any other corporation, limited liability company or unincorporated company and, if so, what was the (a) name of the corporation, limited liability company or unincorporated company and any subsidiaries thereof (b) percentage of equity acquired (c) cost of acquisition (d) book value of the acquisition?

2. Does Teleglobe Canada have a plan to change the present portion of ownership in any of these enterprises and, if so, what is the plan?

Mr. Jack Masters (Parliamentary Secretary to Minister of Communications): I am informed by Teleglobe Canada as follows: 1. No. 2. Not applicable.

CANADIAN MEDIA CORPORATION

Question No. 3,256—**Mr. Beatty:**

1. Was the Canadian Media Corporation hired to serve as agency of record for the government and, if so, since the corporation was hired, how many invoices were received for time or space purchased on behalf of the government and how many were left unpaid for more than (a) 30 (b) 60 (c) 90 (d) 120 days after the date of billing?

2. (a) Is the corporation aware that many media outlets provide discounts for prompt payment of bills (b) since the corporation was hired, have such discounts been lost and, if so, how many and what was the total amount lost because of slow payment?

3. (a) Do the benefits go to the corporation or to the government when prompt payment discounts are received (b) does the corporation compensate the government for foregone prompt payment discounts?

Hon. J.-J. Blais (Minister of Supply and Services): 1. Yes, 12,934 invoices have been received for time or space purchased on behalf of the government to October 31, 1981. (a) 2,137, (b), (c), (d) the records being kept do not distinguish between 60, 90, 120 day invoices.

2. (a) Yes, (b) yes; 2,137 invoices with a value of $55,624.12.

3. (a) The benefits go to the government. (b) This matter is under negotiation.

[*English*]

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

Madam Speaker: The questions enumerated by the parliamentary secretary have been answered. Shall the remaining questions be allowed to stand?

Some hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

THE CONSTITUTION

RESOLUTION RESPECTING CONSTITUTION ACT, 1981

The House resumed, from Monday, November 23, 1981, consideration of the motion of Mr. Chrétien:

THAT, WHEREAS in the past certain amendments to the Constitution of Canada have been made by the Parliament of the United Kingdom at the request and with the consent of Canada;

AND WHEREAS it is in accord with the status of Canada as an independent state that Canadians be able to amend their Constitution in Canada in all respects;

AND WHEREAS it is also desirable to provide in the Constitution of Canada for the recognition of certain fundamental rights and freedoms and to make other amendments to that Constitution;

A respectful address be presented to Her Majesty the Queen in the following words:

To the Queen's Most Excellent Majesty:
Most Gracious Sovereign:

We, Your Majesty's loyal subjects, the House of Commons of Canada in Parliament assembled, respectfully approach Your Majesty, requesting that you may graciously be pleased to cause to be laid before the Parliament of the United Kingdom a measure containing the recitals and clauses hereinafter set forth:

CONSIDÉRANT :
que le Parlement du Royaume-Uni a modifié à plusieurs reprises la Constitution du Canada à la demande et avec le consentement de celui-ci;

que, de par le statut d'État indépendant du Canada, il est légitime que les Canadiens aient tout pouvoir pour modifier leur Constitution au Canada;

qu'il est souhaitable d'inscrire dans la Constitution du Canada la reconnaissance de certains droits et libertés fondamentaux et d'y apporter d'autres modifications,

il est proposé que soit présentée respectueusement à Sa Majesté la Reine l'adresse dont la teneur suit :

A Sa Très Excellente Majesté la Reine,
Très Gracieuse Souveraine :

Nous, membres de la Chambre des communes du Canada réunis en Parlement, fidèles sujets de Votre Majesté, demandons respectueusement à Votre Très Gracieuse Majesté de bien vouloir faire déposer devant le Parlement du Royaume-Uni un projet de loi ainsi conçu :

An Act to give effect to a request by the Senate and House of Commons of Canada

Whereas Canada has requested and consented to the enactment of an Act of the Parliament of the United Kingdom to give effect to the provisions hereinafter set forth and the Senate and the House of Commons of Canada in Parliament assembled have submitted an address to Her Majesty requesting that Her Majesty may graciously be pleased to cause a Bill to be laid before the Parliament of the United Kingdom for that purpose.

Be it therefore enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:

Constitution Act, 1981 enacted

1. The *Constitution Act, 1981* set out in Schedule B to this Act is hereby enacted for and shall have the force of law in Canada and shall come into force as provided in that Act.

Termination of power to legislate for Canada

2. No Act of the Parliament of the United Kingdom passed after the *Constitution Act, 1981* comes into force shall extend to Canada as part of its law.

French version

3. So far as it is not contained in Schedule B, the French version of this Act is set out in Schedule A to this Act and has the same authority in Canada as the English version thereof.

Short title

4. This Act may be cited as the *Canada Act*.

ANNEXE A—SCHEDULE A

Loi donnant suite à une demande du Sénat et de la Chambre des communes du Canada

Sa Très Excellente Majesté la Reine, considérant :

qu'à la demande et avec le consentement du Canada, le Parlement du Royaume-Uni est invité à adopter une loi visant à donner effet aux dispositions énoncées ci-après et que le Sénat et la Chambre des communes du Canada réunis en Parlement ont présenté une adresse demandant à Sa Très Gracieuse Majesté de bien vouloir faire déposer devant le Parlement du Royaume-Uni un projet de loi à cette fin,

sur l'avis et du consentement des Lords spirituels et temporels et des Communes réunis en Parlement, et par l'autorité de celui-ci, édicte :

Adoption de la *Loi constitutionnelle de 1981*

1. La *Loi constitutionnelle de 1981*, énoncée à l'annexe B, est édictée pour le Canada et y a force de loi. Elle entre en vigueur conformément à ses dispositions.

Cessation du pouvoir de légiférer pour le Canada

2. Les lois adoptées par le Parlement du Royaume-Uni après l'entrée en vigueur de la *Loi constitutionnelle de 1981* ne font pas partie du droit du Canada.

Version française

3. La partie de la version française de la présente loi qui figure à l'annexe A a force de loi au Canada au même titre que la version anglaise correspondante.

Titre abrégé

4. Titre abrégé de la présente loi : *Loi sur le Canada*.

SCHEDULE B

CONSTITUTION ACT, 1981

PART I

CANADIAN CHARTER OF RIGHTS AND FREEDOMS

Whereas Canada is founded upon principles that recognize the supremacy of God and the rule of law:

Guarantee of Rights and Freedoms

Rights and freedoms in Canada

1. The *Canadian Charter of Rights and Freedoms* guarantees the rights and freedoms set out in it subject only to such reasonable limits prescribed by law as can be demonstrably justified in a free and democratic society.

Fundamental Freedoms

Fundamental freedoms

2. Everyone has the following fundamental freedoms:

(*a*) freedom of conscience and religion;

(*b*) freedom of thought, belief, opinion and expression, including freedom of the press and other media of communication;

(*c*) freedom of peaceful assembly; and

(*d*) freedom of association.

Democratic Rights

Democratic rights of citizens

3. Every citizen of Canada has the right to vote in an election of members of the House of Commons or of a legislative assembly and to be qualified for membership therein.

Maximum duration of legislative bodies

4. (1) No House of Commons and no legislative assembly shall continue for longer than five years from the date fixed for the return of the writs at a general election of its members.

Continuation in special circumstances

(2) In time of real or apprehended war, invasion or insurrection, a House of Commons may be continued by Parliament and a legislative assembly may be continued by the legislature beyond five years if such continuation is not opposed by the votes of more than one-third of the members of the House

ANNEXE B

LOI CONSTITUTIONNELLE DE 1981

PARTIE I

CHARTE CANADIENNE DES DROITS ET LIBERTÉS

Attendu que le Canada est fondé sur des principes qui reconnaissent la suprématie de Dieu et la primauté du droit :

Garantie des droits et libertés

Droits et libertés au Canada

1. La *Charte canadienne des droits et libertés* garantit les droits et libertés qui y sont énoncés. Ils ne peuvent être restreints que par une règle de droit, dans des limites qui soient raisonnables et dont la justification puisse se démontrer dans le cadre d'une société libre et démocratique.

Libertés fondamentales

Libertés fondamentales

2. Chacun a les libertés fondamentales suivantes :

a) liberté de conscience et de religion;

b) liberté de pensée, de croyance, d'opinion et d'expression, y compris la liberté de la presse et des autres moyens de communication;

c) liberté de réunion pacifique;

d) liberté d'association.

Droits démocratiques

Droits démocratiques des citoyens

3. Tout citoyen canadien a le droit de vote et est éligible aux élections législatives fédérales ou provinciales.

Mandat maximal des assemblées

4. (1) Le mandat maximal de la Chambre des communes et des assemblées législatives est de cinq ans à compter de la date fixée pour le retour des brefs relatifs aux élections générales correspondantes.

Prolongations spéciales

(2) Le mandat de la Chambre des communes ou celui d'une assemblée législative peut être prolongé respectivement par le Parlement ou par la législature en question au-delà de cinq ans en cas de guerre, d'invasion ou d'insurrection, réelles ou appréhendées, pourvu que cette prolongation ne fasse pas

of Commons or the legislative assembly, as the case may be.

l'objet d'une opposition exprimée par les voix de plus du tiers des députés de la Chambre des communes ou de l'assemblée législative.

Annual sitting of legislative bodies

5. There shall be a sitting of Parliament and of each legislature at least once every twelve months.

Séance annuelle

5. Le Parlement et les législatures tiennent une séance au moins une fois tous les douze mois.

Mobility Rights

Liberté de circulation et d'établissement

Mobility of citizens

6. (1) Every citizen of Canada has the right to enter, remain in and leave Canada.

Liberté de circulation

6. (1) Tout citoyen canadien a le droit de demeurer au Canada, d'y entrer ou d'en sortir.

Rights to move and gain livelihood

(2) Every citizen of Canada and every person who has the status of a permanent resident of Canada has the right

(*a*) to move to and take up residence in any province; and

(*b*) to pursue the gaining of a livelihood in any province.

Liberté d'établissement

(2) Tout citoyen canadien et toute personne ayant le statut de résident permanent au Canada ont le droit :

a) de se déplacer dans tout le pays et d'établir leur résidence dans toute province;

b) de gagner leur vie dans toute province.

Limitation

(3) The rights specified in subsection (2) are subject to

(*a*) any laws or practices of general application in force in a province other than those that discriminate among persons primarily on the basis of province of present or previous residence; and

(*b*) any laws providing for reasonable residency requirements as a qualification for the receipt of publicly provided social services.

Restriction

(3) Les droits mentionnés au paragraphe (2) sont subordonnés :

a) aux lois et usages d'application générale en vigueur dans une province donnée, s'ils n'établissent entre les personnes aucune distinction fondée principalement sur la province de résidence antérieure ou actuelle;

b) aux lois prévoyant de justes conditions de résidence en vue de l'obtention des services sociaux publics.

Affirmative action programs

(4) Subsections (2) and (3) do not preclude any law, program or activity that has as its object the amelioration in a province of conditions of individuals in that province who are socially or economically disadvantaged if the rate of employment in that province is below the rate of employment in Canada.

Programmes de promotion sociale

(4) Les paragraphes (2) et (3) n'ont pas pour objet d'interdire les lois, programmes ou activités destinés à améliorer, dans une province, la situation d'individus défavorisés socialement ou économiquement, si le taux d'emploi dans la province est inférieur à la moyenne nationale.

Legal Rights

Garanties juridiques

Life, liberty and security of person

7. Everyone has the right to life, liberty and security of the person and the right not to be deprived thereof except in accordance with the principles of fundamental justice.

Vie, liberté et sécurité

7. Chacun a droit à la vie, à la liberté et à la sécurité de sa personne; il ne peut être porté atteinte à ce droit qu'en conformité avec les principes de justice fondamentale.

Search or seizure

8. Everyone has the right to be secure against unreasonable search or seizure.

Fouilles, perquisitions ou saisies

8. Chacun a droit à la protection contre les fouilles, les perquisitions ou les saisies abusives.

Detention or imprisonment

9. Everyone has the right not to be arbitrarily detained or imprisoned.

Détention ou emprisonnement

9. Chacun a droit à la protection contre la détention ou l'emprisonnement arbitraires.

The Constitution

Arrest or detention

10. Everyone has the right on arrest or detention

(*a*) to be informed promptly of the reasons therefor;

(*b*) to retain and instruct counsel without delay and to be informed of that right; and

(*c*) to have the validity of the detention determined by way of *habeas corpus* and to be released if the detention is not lawful.

Arrestation ou détention

10. Chacun a le droit, en cas d'arrestation ou de détention :

a) d'être informé dans les plus brefs délais des motifs de son arrestation ou de sa détention;

b) d'avoir recours sans délai à l'assistance d'un avocat et d'être informé de ce droit;

c) de faire contrôler, par *habeas corpus*, la légalité de sa détention et d'obtenir, le cas échéant, sa libération.

Proceedings in criminal and penal matters

11. Any person charged with an offence has the right

(*a*) to be informed without unreasonable delay of the specific offence;

(*b*) to be tried within a reasonable time;

(*c*) not to be compelled to be a witness in proceedings against that person in respect of the offence;

(*d*) to be presumed innocent until proven guilty according to law in a fair and public hearing by an independent and impartial tribunal;

(*e*) not to be denied reasonable bail without just cause;

(*f*) except in the case of an offence under military law tried before a military tribunal, to the benefit of trial by jury where the maximum punishment for the offence is imprisonment for five years or a more severe punishment;

(*g*) not to be found guilty on account of any act or omission unless, at the time of the act or omission, it constituted an offence under Canadian or international law or was criminal according to the general principles of law recognized by the community of nations;

(*h*) if finally acquitted of the offence, not to be tried for it again and, if finally found guilty and punished for the offence, not to be tried or punished for it again; and

(*i*) if found guilty of the offence and if the punishment for the offence has been varied between the time of commission and the time of sentencing, to the benefit of the lesser punishment.

Affaires criminelles et pénales

11. Tout inculpé a le droit :

a) d'être informé sans délai anormal de l'infraction précise qu'on lui reproche;

b) d'être jugé dans un délai raisonnable;

c) de ne pas être contraint de témoigner contre lui-même dans toute poursuite intentée contre lui pour l'infraction qu'on lui reproche;

d) d'être présumé innocent tant qu'il n'est pas déclaré coupable, conformément à la loi, par un tribunal indépendant et impartial à l'issue d'un procès public et équitable;

e) de ne pas être privé sans juste cause d'une mise en liberté assortie d'un cautionnement raisonnable;

f) sauf s'il s'agit d'une infraction relevant de la justice militaire, de bénéficier d'un procès avec jury lorsque la peine maximale prévue pour l'infraction dont il est accusé est un emprisonnement de cinq ans ou une peine plus grave;

g) de ne pas être déclaré coupable en raison d'une action ou d'une omission qui, au moment où elle est survenue, ne constituait pas une infraction d'après le droit interne du Canada ou le droit international et n'avait pas de caractère criminel d'après les principes généraux de droit reconnus par l'ensemble des nations;

h) d'une part de ne pas être jugé de nouveau pour une infraction dont il a été définitivement acquitté, d'autre part de ne pas être jugé ni puni de nouveau pour une infraction dont il a été définitivement déclaré coupable et puni;

i) de bénéficier de la peine la moins sévère, lorsque la peine qui sanctionne l'infraction dont il est déclaré coupable est

modifiée entre le moment de la perpétration de l'infraction et celui de la sentence.

Treatment or punishment

12. Everyone has the right not to be subjected to any cruel and unusual treatment or punishment.

12. Chacun a droit à la protection contre tous traitements ou peines cruels et inusités.

Cruauté

Self-crimination

13. A witness who testifies in any proceedings has the right not to have any incriminating evidence so given used to incriminate that witness in any other proceedings, except in a prosecution for perjury or for the giving of contradictory evidence.

13. Chacun a droit à ce qu'aucun témoignage incriminant qu'il donne ne soit utilisé pour l'incriminer dans d'autres procédures, sauf lors de poursuites pour parjure ou pour témoignages contradictoires.

Témoignage incriminant

Interpreter

14. A party or witness in any proceedings who does not understand or speak the language in which the proceedings are conducted or who is deaf has the right to the assistance of an interpreter.

14. La partie ou le témoin qui ne peuvent suivre les procédures, soit parce qu'ils ne comprennent pas ou ne parlent pas la langue employée, soit parce qu'ils sont atteints de surdité, ont droit à l'assistance d'un interprète.

Interprète

Equality Rights

Droits à l'égalité

Equality before and under law and equal protection and benefit of law

15. (1) Every individual is equal before and under the law and has the right to the equal protection and equal benefit of the law without discrimination and, in particular, without discrimination based on race, national or ethnic origin, colour, religion, sex, age or mental or physical disability.

15. (1) La loi ne fait acception de personne et s'applique également à tous, et tous ont droit à la même protection et au même bénéfice de la loi, indépendamment de toute discrimination, notamment des discriminations fondées sur la race, l'origine nationale ou ethnique, la couleur, la religion, le sexe, l'âge ou les déficiences mentales ou physiques.

Égalité devant la loi, égalité de bénéfice et protection égale de la loi

Affirmative action programs

(2) Subsection (1) does not preclude any law, program or activity that has as its object the amelioration of conditions of disadvantaged individuals or groups including those that are disadvantaged because of race, national or ethnic origin, colour, religion, sex, age or mental or physical disability.

(2) Le paragraphe (1) n'a pas pour effet d'interdire les lois, programmes ou activités destinés à améliorer la situation d'individus ou de groupes défavorisés, notamment du fait de leur race, de leur origine nationale ou ethnique, de leur couleur, de leur religion, de leur sexe, de leur âge ou de leurs déficiences mentales ou physiques.

Programmes de promotion sociale

Official Languages of Canada

Langues officielles du Canada

Official languages of Canada

16. (1) English and French are the official languages of Canada and have equality of status and equal rights and privileges as to their use in all institutions of the Parliament and government of Canada.

16. (1) Le français et l'anglais sont les langues officielles du Canada; ils ont un statut et des droits et privilèges égaux quant à leur usage dans les institutions du Parlement et du gouvernement du Canada.

Langues officielles du Canada

Official languages of New Brunswick

(2) English and French are the official languages of New Brunswick and have equality of status and equal rights and privileges as to their use in all institutions of the

(2) Le français et l'anglais sont les langues officielles du Nouveau-Brunswick; ils ont un statut et des droits et privilèges égaux quant à leur usage dans les institutions de la Légis-

Langues officielles du Nouveau-Brunswick

legislature and government of New Brunswick.

lature et du gouvernement du Nouveau-Brunswick.

Advancement of status and use

(3) Nothing in this Charter limits the authority of Parliament or a legislature to advance the equality of status or use of English and French.

(3) La présente charte ne limite pas le pouvoir du Parlement et des législatures de favoriser la progression vers l'égalité de statut ou d'usage du français et de l'anglais.

Progression vers l'égalité

Proceedings of Parliament

17. (1) Everyone has the right to use English or French in any debates and other proceedings of Parliament.

17. (1) Chacun a le droit d'employer le français ou l'anglais dans les débats et travaux du Parlement.

Travaux du Parlement

Proceedings of New Brunswick legislature

(2) Everyone has the right to use English or French in any debates and other proceedings of the legislature of New Brunswick.

(2) Chacun a le droit d'employer le français ou l'anglais dans les débats et travaux de la Législature du Nouveau-Brunswick.

Travaux de la Législature du Nouveau-Brunswick

Parliamentary statutes and records

18. (1) The statutes, records and journals of Parliament shall be printed and published in English and French and both language versions are equally authoritative.

18. (1) Les lois, les archives, les comptes rendus et les procès-verbaux du Parlement sont imprimés et publiés en français et en anglais, les deux versions des lois ayant également force de loi et celles des autres documents ayant même valeur.

Documents parlementaires

New Brunswick statutes and records

(2) The statutes, records and journals of the legislature of New Brunswick shall be printed and published in English and French and both language versions are equally authoritative.

(2) Les lois, les archives, les comptes rendus et les procès-verbaux de la Législature du Nouveau-Brunswick sont imprimés et publiés en français et en anglais, les deux versions des lois ayant également force de loi et celles des autres documents ayant même valeur.

Documents de la Législature du Nouveau-Brunswick

Proceedings in courts established by Parliament

19. (1) Either English or French may be used by any person in, or in any pleading in or process issuing from, any court established by Parliament.

19. (1) Chacun a le droit d'employer le français ou l'anglais dans toutes les affaires dont sont saisis les tribunaux établis par le Parlement et dans tous les actes de procédure qui en découlent.

Procédures devant les tribunaux établis par le Parlement

Proceedings in New Brunswick courts

(2) Either English or French may be used by any person in, or in any pleading in or process issuing from, any court of New Brunswick.

(2) Chacun a le droit d'employer le français ou l'anglais dans toutes les affaires dont sont saisis les tribunaux du Nouveau-Brunswick et dans tous les actes de procédure qui en découlent.

Procédures devant les tribunaux du Nouveau-Brunswick

Communications by public with federal institutions

20. (1) Any member of the public in Canada has the right to communicate with, and to receive available services from, any head or central office of an institution of the Parliament or government of Canada in English or French, and has the same right with respect to any other office of any such institution where

(*a*) there is a significant demand for communications with and services from that office in such language; or

20. (1) Le public a, au Canada, droit à l'emploi du français ou de l'anglais pour communiquer avec le siège ou l'administration centrale des institutions du Parlement ou du gouvernement du Canada ou pour en recevoir les services; il a le même droit à l'égard de tout autre bureau de ces institutions là où, selon le cas :

a) l'emploi du français ou de l'anglais fait l'objet d'une demande importante;

b) l'emploi du français et de l'anglais se justifie par la vocation du bureau.

Communications entre les administrés et les institutions fédérales

(*b*) due to the nature of the office, it is reasonable that communications with and services from that office be available in both English and French.

Communications by public with New Brunswick institutions

(2) Any member of the public in New Brunswick has the right to communicate with, and to receive available services from, any office of an institution of the legislature or government of New Brunswick in English or French.

(2) Le public a, au Nouveau-Brunswick, droit à l'emploi du français ou de l'anglais pour communiquer avec tout bureau des institutions de la législature ou du gouvernement ou pour en recevoir les services.

Communications entre les administrés et les institutions du Nouveau-Brunswick

Continuation of existing constitutional provisions

21. Nothing in sections 16 to 20 abrogates or derogates from any right, privilege or obligation with respect to the English and French languages, or either of them, that exists or is continued by virtue of any other provision of the Constitution of Canada.

21. Les articles 16 à 20 n'ont pas pour effet, en ce qui a trait à la langue française ou anglaise ou à ces deux langues, de porter atteinte aux droits, privilèges ou obligations qui existent ou sont maintenus aux termes d'une autre disposition de la Constitution du Canada.

Maintien en vigueur de certaines dispositions

Rights and privileges preserved

22. Nothing in sections 16 to 20 abrogates or derogates from any legal or customary right or privilege acquired or enjoyed either before or after the coming into force of this Charter with respect to any language that is not English or French.

22. Les articles 16 à 20 n'ont pas pour effet de porter atteinte aux droits et privilèges, antérieurs ou postérieurs à l'entrée en vigueur de la présente charte et découlant de la loi ou de la coutume, des langues autres que le français ou l'anglais.

Droits préservés

Minority Language Educational Rights

Droits à l'instruction dans la langue de la minorité

Language of instruction

23. (1) Citizens of Canada

(*a*) whose first language learned and still understood is that of the English or French linguistic minority population of the province in which they reside, or

(*b*) who have received their primary school instruction in Canada in English or French and reside in a province where the language in which they received that instruction is the language of the English or French linguistic minority population of the province,

have the right to have their children receive primary and secondary school instruction in that language in that province.

23. (1) Les citoyens canadiens :

a) dont la première langue apprise et encore comprise est celle de la minorité francophone ou anglophone de la province où ils résident,

b) qui ont reçu leur instruction, au niveau primaire, en français ou en anglais au Canada et qui résident dans une province où la langue dans laquelle ils ont reçu cette instruction est celle de la minorité francophone ou anglophone de la province,

ont, dans l'un ou l'autre cas, le droit d'y faire instruire leurs enfants, aux niveaux primaire et secondaire, dans cette langue.

Langue d'instruction

Continuity of language instruction

(2) Citizens of Canada of whom any child has received or is receiving primary or secondary school instruction in English or French in Canada, have the right to have all their children receive primary and secondary school instruction in the same language.

(2) Les citoyens canadiens dont un enfant a reçu ou reçoit son instruction, au niveau primaire ou secondaire, en français ou en anglais au Canada ont le droit de faire instruire tous leurs enfants, aux niveaux primaire et secondaire, dans la langue de cette instruction.

Continuité d'emploi de la langue d'instruction

Application where numbers warrant

(3) The right of citizens of Canada under subsections (1) and (2) to have their children receive primary and secondary school instruction in the language of the English or French linguistic minority population of a province

(*a*) applies wherever in the province the number of children of citizens who have such a right is sufficient to warrant the provision to them out of public funds of minority language instruction; and

(*b*) includes, where the number of those children so warrants, the right to have them receive that instruction in minority language educational facilities provided out of public funds.

Justification par le nombre

(3) Le droit reconnu aux citoyens canadiens par les paragraphes (1) et (2) de faire instruire leurs enfants, aux niveaux primaire et secondaire, dans la langue de la minorité francophone ou anglophone d'une province :

a) s'exerce partout dans la province où le nombre des enfants des citoyens qui ont ce droit est suffisant pour justifier à leur endroit la prestation, sur les fonds publics, de l'instruction dans la langue de la minorité;

b) comprend, lorsque le nombre de ces enfants le justifie, le droit de les faire instruire dans des établissements d'enseignement de la minorité linguistique financés sur les fonds publics.

Enforcement

Recours

Enforcement of guaranteed rights and freedoms

24. (1) Anyone whose rights or freedoms, as guaranteed by this Charter, have been infringed or denied may apply to a court of competent jurisdiction to obtain such remedy as the court considers appropriate and just in the circumstances.

Recours en cas d'atteinte aux droits et libertés

24. (1) Toute personne, victime de violation ou de négation des droits ou libertés qui lui sont garantis par la présente charte, peut s'adresser à un tribunal compétent pour obtenir la réparation que le tribunal estime convenable et juste eu égard aux circonstances.

Exclusion of evidence bringing administration of justice into disrepute

(2) Where, in proceedings under subsection (1), a court concludes that evidence was obtained in a manner that infringed or denied any rights or freedoms guaranteed by this Charter, the evidence shall be excluded if it is established that, having regard to all the circumstances, the admission of it in the proceedings would bring the administration of justice into disrepute.

Irrecevabilité d'éléments de preuve qui risqueraient de déconsidérer l'administration de la justice

(2) Lorsque, dans une instance visée au paragraphe (1), le tribunal a conclu que des éléments de preuve ont été obtenus dans des conditions qui portent atteinte aux droits ou libertés garantis par la présente charte, ces éléments de preuve sont écartés s'il est établi, eu égard aux circonstances, que leur utilisation est susceptible de déconsidérer l'administration de la justice.

General

Dispositions générales

Aboriginal rights and freedoms not affected by Charter

25. The guarantee in this Charter of certain rights and freedoms shall not be construed so as to abrogate or derogate from any aboriginal, treaty or other rights or freedoms that pertain to the aboriginal peoples of Canada including

(*a*) any rights or freedoms that have been recognized by the Royal Proclamation of October 7, 1763; and

(*b*) any rights or freedoms that may be acquired by the aboriginal peoples of Canada by way of land claims settlement.

Maintien des droits et libertés des autochtones

25. Le fait que la présente charte garantit certains droits et libertés ne porte pas atteinte aux droits ou libertés — ancestraux, issus de traités ou autres — des peuples autochtones du Canada, notamment :

a) aux droits ou libertés reconnus par la Proclamation royale du 7 octobre 1763;

b) aux droits ou libertés acquis par règlement de revendications territoriales.

Other rights and freedoms not affected by Charter

26. The guarantee in this Charter of certain rights and freedoms shall not be con-

Maintien des autres droits et libertés

26. Le fait que la présente charte garantit certains droits et libertés ne constitue pas

strued as denying the existence of any other rights or freedoms that exist in Canada.

une négation des autres droits ou libertés qui existent au Canada.

Multicultural heritage

27. This Charter shall be interpreted in a manner consistent with the preservation and enhancement of the multicultural heritage of Canadians.

27. Toute interprétation de la présente charte doit concorder avec l'objectif de promouvoir le maintien et la valorisation du patrimoine multiculturel des Canadiens.

Maintien du patrimoine culturel

Rights guaranteed equally to both sexes

28. Notwithstanding anything in this Charter except section 33, the rights and freedoms referred to in it are guaranteed equally to male and female persons.

28. Indépendamment des autres dispositions de la présente charte, exception faite de l'article 33, les droits et libertés qui y sont mentionnés sont garantis également aux personnes des deux sexes.

Égalité de garantie des droits pour les deux sexes

Rights respecting certain schools preserved

29. Nothing in this Charter abrogates or derogates from any rights or privileges guaranteed by or under the Constitution of Canada in respect of denominational, separate or dissentient schools.

29. Les dispositions de la présente charte ne portent pas atteinte aux droits ou privilèges garantis en vertu de la Constitution du Canada concernant les écoles séparées et autres écoles confessionnelles.

Maintien des droits relatifs à certaines écoles

Application to territories and territorial authorities

30. A reference in this Charter to a province or to the legislative assembly or legislature of a province shall be deemed to include a reference to the Yukon Territory and the Northwest Territories, or to the appropriate legislative authority thereof, as the case may be.

30. Dans la présente charte, les dispositions qui visent les provinces, leur législature ou leur assemblée législative visent également le territoire du Yukon, les territoires du Nord-Ouest ou leurs autorités législatives compétentes.

Application aux territoires

Legislative powers not extended

31. Nothing in this Charter extends the legislative powers of any body or authority.

31. La présente charte n'élargit pas les compétences législatives de quelque organisme ou autorité que ce soit.

Non-élargissement des compétences législatives

Application of Charter

Application de la charte

Application of Charter

32. (1) This Charter applies

(*a*) to the Parliament and government of Canada in respect of all matters within the authority of Parliament including all matters relating to the Yukon Territory and Northwest Territories; and

(*b*) to the legislature and government of each province in respect of all matters within the authority of the legislature of each province.

32. (1) La présente charte s'applique :

a) au Parlement et au gouvernement du Canada, pour tous les domaines relevant du Parlement, y compris ceux qui concernent le territoire du Yukon et les territoires du Nord-Ouest;

b) à la législature et au gouvernement de chaque province, pour tous les domaines relevant de cette législature.

Application de la charte

Exception

(2) Notwithstanding subsection (1), section 15 shall not have effect until three years after this section comes into force.

(2) Par dérogation au paragraphe (1), l'article 15 n'a d'effet que trois ans après l'entrée en vigueur du présent article.

Restriction

Exception where express declaration

33. (1) Parliament or the legislature of a province may expressly declare in an Act of Parliament or of the legislature, as the case may be, that the Act or a provision thereof shall operate notwithstanding a provision included in section 2 or sections 7 to 15 of

33. (1) Le Parlement ou la législature d'une province peut adopter une loi où il est expressément déclaré que celle-ci ou une de ses dispositions a effet indépendamment d'une disposition donnée de l'article 2 ou des articles 7 à 15 de la présente charte, ou de

Dérogation par déclaration expresse

this Charter, or section 28 of this Charter in its application to discrimination based on sex referred to in section 15.

l'article 28 de cette charte dans son application à la discrimination fondée sur le sexe et mentionnée à l'article 15.

Operation of exception

(2) An Act or a provision of an Act in respect of which a declaration made under this section is in effect shall have such operation as it would have but for the provision of this Charter referred to in the declaration.

(2) La loi ou la disposition qui fait l'objet d'une déclaration conforme au présent article et en vigueur a l'effet qu'elle aurait sauf la disposition en cause de la charte.

Effet de la dérogation

Five year limitation

(3) A declaration made under subsection (1) shall cease to have effect five years after it comes into force or on such earlier date as may be specified in the declaration.

(3) La déclaration visée au paragraphe (1) cesse d'avoir effet à la date qui y est précisée ou, au plus tard, cinq ans après son entrée en vigueur.

Durée de validité

Re-enactment

(4) Parliament or a legislature of a province may re-enact a declaration made under subsection (1).

(4) Le Parlement ou une législature peut adopter de nouveau une déclaration visée au paragraphe (1).

Nouvelle adoption

Five year limitation

(5) Subsection (3) applies in respect of a re-enactment made under subsection (4).

(5) Le paragraphe (3) s'applique à toute déclaration adoptée sous le régime du paragraphe (4).

Durée de validité

Citation

Titre

Citation

34. This Part may be cited as the *Canadian Charter of Rights and Freedoms*.

34. Titre de la présente partie : *Charte canadienne des droits et libertés*.

Titre

PART II

PARTIE II

EQUALIZATION AND REGIONAL DISPARITIES

PÉRÉQUATION ET INÉGALITÉS RÉGIONALES

Commitment to promote equal opportunities

35. (1) Without altering the legislative authority of Parliament or of the provincial legislatures, or the rights of any of them with respect to the exercise of their legislative authority, Parliament and the legislatures, together with the government of Canada and the provincial governments, are committed to

(*a*) promoting equal opportunities for the well-being of Canadians;

(*b*) furthering economic development to reduce disparity in opportunities; and

(*c*) providing essential public services of reasonable quality to all Canadians.

35. (1) Sous réserve des compétences législatives du Parlement et des législatures et de leur droit de les exercer, le Parlement et les législatures, ainsi que les gouvernements fédéral et provinciaux, s'engagent à :

a) promouvoir l'égalité des chances de tous les Canadiens dans la recherche de leur bien-être;

b) favoriser le développement économique pour réduire l'inégalité des chances;

c) fournir à tous les Canadiens, à un niveau de qualité acceptable, les services publics essentiels.

Engagements relatifs à l'égalité des chances

Commitment respecting public services

(2) Parliament and the government of Canada are committed to the principle of making equalization payments to ensure that provincial governments have sufficient revenues to provide reasonably comparable levels of public services at reasonably comparable levels of taxation.

(2) Le Parlement et le gouvernement du Canada prennent l'engagement de principe de faire des paiements de péréquation propres à donner aux gouvernements provinciaux des revenus suffisants pour les mettre en mesure d'assurer les services publics à un niveau de qualité et de fiscalité sensiblement comparables.

Engagement relatif aux services publics

PART III

CONSTITUTIONAL CONFERENCE

Constitutional conference

36. (1) A constitutional conference composed of the Prime Minister of Canada and the first ministers of the provinces shall be convened by the Prime Minister of Canada within one year after this Part comes into force.

Participation of aboriginal peoples

(2) The conference convened under subsection (1) shall have included in its agenda an item respecting constitutional matters that directly affect the aboriginal peoples of Canada, including the identification and definition of the rights of those peoples to be included in the Constitution of Canada, and the Prime Minister of Canada shall invite representatives of those peoples to participate in the discussions on that item.

Participation of territories

(3) The Prime Minister of Canada shall invite elected representatives of the governments of the Yukon Territory and the Northwest Territories to participate in the discussions on any item on the agenda of the conference convened under subsection (1) that, in the opinion of the Prime Minister, directly affects the Yukon Territory and the Northwest Territories.

PARTIE III

CONFÉRENCE CONSTITUTIONNELLE

Conférence constitutionnelle

36. (1) Dans l'année suivant l'entrée en vigueur de la présente partie, le premier ministre du Canada convoque une conférence constitutionnelle réunissant les premiers ministres provinciaux et lui-même.

Participation des peuples autochtones

(2) Sont placées à l'ordre du jour de la conférence visée au paragraphe (1) les questions constitutionnelles qui intéressent directement les peuples autochtones du Canada, notamment la détermination et la définition des droits de ces peuples à inscrire dans la Constitution du Canada. Le premier ministre du Canada invite leurs représentants à participer aux travaux relatifs à ces questions.

Participation des territoires

(3) Le premier ministre du Canada invite des représentants élus des gouvernements du territoire du Yukon et des territoires du Nord-Ouest à participer aux travaux relatifs à toute question placée à l'ordre du jour de la conférence visée au paragraphe (1) et qui, selon lui, intéresse directement le territoire du Yukon et les territoires du Nord-Ouest.

PART IV

PROCEDURE FOR AMENDING CONSTITUTION OF CANADA

General procedure for amending Constitution of Canada

37. (1) An amendment to the Constitution of Canada may be made by proclamation issued by the Governor General under the Great Seal of Canada where so authorized by

(*a*) resolutions of the Senate and House of Commons; and

(*b*) resolutions of the legislative assemblies of at least two-thirds of the provinces that have, in the aggregate, according to the then latest general census, at least fifty per cent of the population of all the provinces.

Majority of members

(2) An amendment made under subsection (1) that derogates from the legislative powers, the proprietary rights or any other rights or privileges of the legislature or gov-

PARTIE IV

PROCÉDURE DE MODIFICATION DE LA CONSTITUTION DU CANADA

Procédure normale de modification

37. (1) La Constitution du Canada peut être modifiée par proclamation du gouverneur général sous le grand sceau du Canada, autorisée à la fois :

a) par des résolutions du Sénat et de la Chambre des communes;

b) par des résolutions des assemblées législatives d'au moins deux tiers des provinces dont la population confondue représente, selon le recensement général le plus récent à l'époque, au moins cinquante pour cent de la population de toutes les provinces.

Majorité simple

(2) Une modification faite conformément au paragraphe (1) mais dérogatoire à la compétence législative, aux droits de propriété ou à tous autres droits ou privilèges

ernment of a province shall require a resolution supported by a majority of the members of each of the Senate, the House of Commons and the legislative assemblies required under subsection (1).

d'une législature ou d'un gouvernement provincial exige une résolution adoptée à la majorité des sénateurs, des députés fédéraux et des députés de chacune des assemblées législatives du nombre requis de provinces.

Expression of dissent

(3) An amendment referred to in subsection (2) shall not have effect in a province the legislative assembly of which has expressed its dissent thereto by resolution supported by a majority of its members prior to the issue of the proclamation to which the amendment relates unless that legislative assembly, subsequently, by resolution supported by a majority of its members, revokes its dissent and authorizes the amendment.

Désaccord

(3) La modification visée au paragraphe (2) est sans effet dans une province dont l'assemblée législative a, avant la prise de la proclamation, exprimé son désaccord par une résolution adoptée à la majorité des députés, sauf si cette assemblée, par résolution également adoptée à la majorité, revient sur son désaccord et autorise la modification.

Revocation of dissent

(4) A resolution of dissent made for the purposes of subsection (3) may be revoked at any time before or after the issue of the proclamation to which it relates.

Levée du désaccord

(4) La résolution de désaccord visée au paragraphe (3) peut être révoquée à tout moment, indépendamment de la date de la proclamation à laquelle elle se rapporte.

Restriction on proclamation

38. (1) A proclamation shall not be issued under subsection 37(1) before the expiration of one year from the adoption of the resolution initiating the amendment procedure thereunder, unless the legislative assembly of each province has previously adopted a resolution of assent or dissent.

Restriction

38. (1) La proclamation visée au paragraphe 37(1) ne peut être prise dans l'année suivant l'adoption de la résolution à l'origine de la procédure de modification que si l'assemblée législative de chaque province a préalablement adopté une résolution d'agrément ou de désaccord.

Idem

(2) A proclamation shall not be issued under subsection 37(1) after the expiration of three years from the adoption of the resolution initiating the amendment procedure thereunder.

Idem

(2) La proclamation visée au paragraphe 37(1) ne peut être prise que dans les trois ans suivant l'adoption de la résolution à l'origine de la procédure de modification.

Compensation

39. Where an amendment is made under subsection 37(1) that transfers provincial legislative powers relating to education or other cultural matters from provincial legislatures to Parliament, Canada shall provide reasonable compensation to any province to which the amendment does not apply.

Compensation

39. Le Canada fournit une juste compensation aux provinces auxquelles ne s'applique pas une modification faite conformément au paragraphe 37(1) et relative, en matière d'éducation ou dans d'autres domaines culturels, à un transfert de compétences législatives provinciales au Parlement.

Amendment by unanimous consent

40. An amendment to the Constitution of Canada in relation to the following matters may be made by proclamation issued by the Governor General under the Great Seal of Canada only where authorized by resolutions of the Senate and House of Commons and of the legislative assembly of each province:

(*a*) the office of the Queen, the Governor General and the Lieutenant Governor of a province;

Consentement unanime

40. Toute modification de la Constitution du Canada portant sur les questions suivantes se fait par proclamation du gouverneur général sous le grand sceau du Canada, autorisée par des résolutions du Sénat, de la Chambre des communes et de l'assemblée législative de chaque province :

a) la charge de Reine, celle de gouverneur général et celle de lieutenant-gouverneur;

(*b*) the right of a province to a number of members in the House of Commons not less than the number of Senators by which the province is entitled to be represented at the time this Part comes into force;

(*c*) subject to section 42, the use of the English or the French language;

(*d*) the composition of the Supreme Court of Canada; and

(*e*) an amendment to this Part.

b) le droit d'une province d'avoir à la Chambre des communes un nombre de députés au moins égal à celui des sénateurs par lesquels elle est habilitée à être représentée lors de l'entrée en vigueur de la présente partie;

c) sous réserve de l'article 42, l'usage du français ou de l'anglais;

d) la composition de la Cour suprême du Canada;

e) la modification de la présente partie.

Amendment by general procedure

41. (1) An amendment to the Constitution of Canada in relation to the following matters may be made only in accordance with subsection 37(1):

(*a*) the principle of proportionate representation of the provinces in the House of Commons prescribed by the Constitution of Canada;

(*b*) the powers of the Senate and the method of selecting Senators;

(*c*) the number of members by which a province is entitled to be represented in the Senate and the residence qualifications of Senators;

(*d*) subject to paragraph 40(*d*), the Supreme Court of Canada;

(*e*) the extension of existing provinces into the territories; and

(*f*) notwithstanding any other law or practice, the establishment of new provinces.

Exception

(2) Subsections 37(2) to (4) do not apply in respect of amendments in relation to matters referred to in subsection (1).

Amendment of provisions relating to some but not all provinces

42. An amendment to the Constitution of Canada in relation to any provision that applies to one or more, but not all, provinces, including

(*a*) any alteration to boundaries between provinces, and

(*b*) any amendment to any provision that relates to the use of the English or the French language within a province,

may be made by proclamation issued by the Governor General under the Great Seal of Canada only where so authorized by resolutions of the Senate and House of Commons

Procédure normale de modification

41. (1) Toute modification de la Constitution du Canada portant sur les questions suivantes se fait conformément au paragraphe 37(1) :

a) le principe de la représentation proportionnelle des provinces à la Chambre des communes prévu par la Constitution du Canada;

b) les pouvoirs du Sénat et le mode de sélection des sénateurs;

c) le nombre des sénateurs par lesquels une province est habilitée à être représentée et les conditions de résidence qu'ils doivent remplir;

d) sous réserve de l'alinéa 40*d*), la Cour suprême du Canada;

e) le rattachement aux provinces existantes de tout ou partie des territoires;

f) par dérogation à toute autre loi ou usage, la création de provinces.

Exception

(2) Les paragraphes 37(2) à (4) ne s'appliquent pas aux questions mentionnées au paragraphe (1).

Modification à l'égard de certaines provinces

42. Les dispositions de la Constitution du Canada applicables à certaines provinces seulement ne peuvent être modifiées que par proclamation du gouverneur général sous le grand sceau du Canada, autorisée par des résolutions du Sénat, de la Chambre des communes et de l'assemblée législative de chaque province concernée. Le présent article s'applique notamment :

a) aux changements du tracé des frontières interprovinciales;

b) aux modifications des dispositions relatives à l'usage du français ou de l'anglais dans une province.

and of the legislative assembly of each province to which the amendment applies.

Amendments by Parliament

43. Subject to sections 40 and 41, Parliament may exclusively make laws amending the Constitution of Canada in relation to the executive government of Canada or the Senate and House of Commons.

Modification par le Parlement

43. Sous réserve des articles 40 et 41, le Parlement a compétence exclusive pour modifier les dispositions de la Constitution du Canada relatives au pouvoir exécutif fédéral, au Sénat ou à la Chambre des communes.

Amendments by provincial legislatures

44. Subject to section 40, the legislature of each province may exclusively make laws amending the constitution of the province.

Modification par les législatures

44. Sous réserve de l'article 40, une législature a compétence exclusive pour modifier la constitution de sa province.

Initiation of amendment procedures

45. (1) The procedures for amendment under sections 37, 40, 41 and 42 may be initiated either by the Senate or the House of Commons or by the legislative assembly of a province.

Initiative des procédures

45. (1) L'initiative des procédures de modification visées aux articles 37, 40, 41 et 42 appartient au Sénat, à la Chambre des communes ou à une assemblée législative.

Revocation of authorization

(2) A resolution of assent made for the purposes of this Part may be revoked at any time before the issue of a proclamation authorized by it.

Possibilité de révocation

(2) Une résolution d'agrément adoptée dans le cadre de la présente partie peut être révoquée à tout moment avant la date de la proclamation qu'elle autorise.

Amendments without Senate resolution

46. (1) An amendment to the Constitution of Canada made by proclamation under section 37, 40, 41 or 42 may be made without a resolution of the Senate authorizing the issue of the proclamation if, within one hundred and eighty days after the adoption by the House of Commons of a resolution authorizing its issue, the Senate has not adopted such a resolution and if, at any time after the expiration of that period, the House of Commons again adopts the resolution.

Modification sans résolution du Sénat

46. (1) Dans les cas visés à l'article 37, 40, 41 ou 42, il peut être passé outre au défaut d'autorisation du Sénat si celui-ci n'a pas adopté de résolution dans un délai de cent quatre-vingts jours suivant l'adoption de celle de la Chambre des communes et si cette dernière, après l'expiration du délai, adopte une nouvelle résolution dans le même sens.

Computation of period

(2) Any period when Parliament is prorogued or dissolved shall not be counted in computing the one hundred and eighty day period referred to in subsection (1).

Computation du délai

(2) Dans la computation du délai visé au paragraphe (1), ne sont pas comptées les périodes pendant lesquelles le Parlement est prorogé ou dissous.

Advice to issue proclamation

47. The Queen's Privy Council for Canada shall advise the Governor General to issue a proclamation under this Part forthwith on the adoption of the resolutions required for an amendment made by proclamation under this Part.

Demande de proclamation

47. Le Conseil privé de la Reine pour le Canada demande au gouverneur général de prendre, conformément à la présente partie, une proclamation dès l'adoption des résolutions prévues par cette partie pour une modification par proclamation.

Constitutional conference

48. A constitutional conference composed of the Prime Minister of Canada and the first ministers of the provinces shall be convened by the Prime Minister of Canada within fifteen years after this Part comes into force to review the provisions of this Part.

Conférence constitutionnelle

48. Dans les quinze ans suivant l'entrée en vigueur de la présente partie, le premier ministre du Canada convoque une conférence constitutionnelle réunissant les premiers ministres provinciaux et lui-même, en vue du réexamen des dispositions de cette partie.

PART V

AMENDMENT TO THE CONSTITUTION ACT, 1867

Amendment to *Constitution Act, 1867*

49. The *Constitution Act, 1867* (formerly named the *British North America Act, 1867*) is amended by adding thereto, immediately after section 92 thereof, the following heading and section:

"*Non-Renewable Natural Resources, Forestry Resources and Electrical Energy*

Laws respecting non-renewable natural resources, forestry resources and electrical energy

92A. (1) In each province, the legislature may exclusively make laws in relation to

(*a*) exploration for non-renewable natural resources in the province;

(*b*) development, conservation and management of non-renewable natural resources and forestry resources in the province, including laws in relation to the rate of primary production therefrom; and

(*c*) development, conservation and management of sites and facilities in the province for the generation and production of electrical energy.

Export from provinces of resources

(2) In each province, the legislature may make laws in relation to the export from the province to another part of Canada of the primary production from non-renewable natural resources and forestry resources in the province and the production from facilities in the province for the generation of electrical energy, but such laws may not authorize or provide for discrimination in prices or in supplies exported to another part of Canada.

Authority of Parliament

(3) Nothing in subsection (2) derogates from the authority of Parliament to enact laws in relation to the matters referred to in that subsection and, where such a law of Parliament and a law of a province conflict, the law of Parliament prevails to the extent of the conflict.

PARTIE V

MODIFICATION DE LA LOI CONSTITUTIONNELLE DE 1867

Modification de la *Loi constitutionnelle de 1867*

49. La *Loi constitutionnelle de 1867* (antérieurement désignée sous le titre : *Acte de l'Amérique du Nord britannique, 1867*) est modifiée par insertion, après l'article 92, de la rubrique et de l'article suivants :

«*Ressources naturelles non renouvelables, ressources forestières et énergie électrique*

Compétence provinciale

92A. (1) La législature de chaque province a compétence exclusive pour légiférer dans les domaines suivants :

a) prospection des ressources naturelles non renouvelables de la province;

b) exploitation, conservation et gestion des ressources naturelles non renouvelables et des ressources forestières de la province, y compris leur rythme de production primaire;

c) aménagement, conservation et gestion des emplacements et des installations de la province destinés à la production d'énergie électrique.

Exportation hors des provinces

(2) La législature de chaque province a compétence pour légiférer en ce qui concerne l'exportation, hors de la province, à destination d'une autre partie du Canada, de la production primaire tirée des ressources naturelles non renouvelables et des ressources forestières de la province, ainsi que de la production d'énergie électrique de la province, sous réserve de ne pas adopter de lois autorisant ou prévoyant des disparités de prix ou des disparités dans les exportations destinées à une autre partie du Canada.

Pouvoir du Parlement

(3) Le paragraphe (2) ne porte pas atteinte au pouvoir du Parlement de légiférer dans les domaines visés à ce paragraphe, les dispositions d'une loi du Parlement adoptée dans ces domaines l'emportant sur les dispositions incompatibles d'une loi provinciale.

The Constitution

Taxation of resources

(4) In each province, the legislature may make laws in relation to the raising of money by any mode or system of taxation in respect of

(*a*) non-renewable natural resources and forestry resources in the province and the primary production therefrom, and

(*b*) sites and facilities in the province for the generation of electrical energy and the production therefrom,

whether or not such production is exported in whole or in part from the province, but such laws may not authorize or provide for taxation that differentiates between production exported to another part of Canada and production not exported from the province.

Taxation des ressources

(4) La législature de chaque province a compétence pour prélever des sommes d'argent par tout mode ou système de taxation :

a) des ressources naturelles non renouvelables et des ressources forestières de la province, ainsi que de la production primaire qui en est tirée;

b) des emplacements et des installations de la province destinés à la production d'énergie électrique, ainsi que de cette production même.

Cette compétence peut s'exercer indépendamment du fait que la production en cause soit ou non, en totalité ou en partie, exportée hors de la province, mais les lois adoptées dans ces domaines ne peuvent autoriser ou prévoir une taxation qui établisse une distinction entre la production exportée à destination d'une autre partie du Canada et la production non exportée hors de la province.

"Primary production"

(5) The expression "primary production" has the meaning assigned by the Sixth Schedule.

«Production primaire»

(5) L'expression «production primaire» a le sens qui lui est donné dans la sixième annexe.

Existing powers or rights

(6) Nothing in subsections (1) to (5) derogates from any powers or rights that a legislature or government of a province had immediately before the coming into force of this section."

Pouvoirs ou droits existants

(6) Les paragraphes (1) à (5) ne portent pas atteinte aux pouvoirs ou droits détenus par la législature ou le gouvernement d'une province lors de l'entrée en vigueur du présent article.»

Idem

50. The said Act is further amended by adding thereto the following Schedule:

Idem

50. Ladite loi est en outre modifiée par adjonction de l'annexe suivante :

"THE SIXTH SCHEDULE

Primary Production from Non-Renewable Natural Resources and Forestry Resources

1. For the purposes of section 92A of this Act,

(*a*) production from a non-renewable natural resource is primary production therefrom if

(i) it is in the form in which it exists upon its recovery or severance from its natural state, or

«SIXIÈME ANNEXE

Production primaire tirée des ressources naturelles non renouvelables et des ressources forestières

1. Pour l'application de l'article 92A :

a) on entend par production primaire tirée d'une ressource naturelle non renouvelable :

(i) soit le produit qui se présente sous la même forme que lors de son extraction du milieu naturel,

(ii) soit le produit non manufacturé de la transformation, du raffinage ou de

The Constitution

(ii) it is a product resulting from processing or refining the resource, and is not a manufactured product or a product resulting from refining crude oil, refining upgraded heavy crude oil, refining gases or liquids derived from coal or refining a synthetic equivalent of crude oil; and

(*b*) production from a forestry resource is primary production therefrom if it consists of sawlogs, poles, lumber, wood chips, sawdust or any other primary wood product, or wood pulp, and is not a product manufactured from wood."

l'affinage d'une ressource, à l'exception du produit du raffinage du pétrole brut, du raffinage du pétrole brut lourd amélioré, du raffinage des gaz ou des liquides dérivés du charbon ou du raffinage d'un équivalent synthétique du pétrole brut;

b) on entend par production primaire tirée d'une ressource forestière la production constituée de billots, de poteaux, de bois d'œuvre, de copeaux, de sciure ou d'autre produit primaire du bois, ou de pâte de bois, à l'exception d'un produit manufacturé en bois.»

PART VI

GENERAL

Primacy of Constitution of Canada

51. (1) The Constitution of Canada is the supreme law of Canada, and any law that is inconsistent with the provisions of the Constitution is, to the extent of the inconsistency, of no force or effect.

Constitution of Canada

(2) The Constitution of Canada includes

(*a*) the *Canada Act*, including this Act;

(*b*) the Acts and orders referred to in Schedule I; and

(*c*) any amendment to any Act or order referred to in paragraph (*a*) or (*b*).

Amendments to Constitution of Canada

(3) Amendments to the Constitution of Canada shall be made only in accordance with the authority contained in the Constitution of Canada.

Repeals and new names

52. (1) The enactments referred to in Column I of Schedule I are hereby repealed or amended to the extent indicated in Column II thereof and, unless repealed, shall continue as law in Canada under the names set out in Column III thereof.

Consequential amendments

(2) Every enactment, except the *Canada Act*, that refers to an enactment referred to in Schedule I by the name in Column I thereof is hereby amended by substituting for that name the corresponding name in Column III thereof, and any British North America Act not referred to in Schedule I may be cited as the *Constitution Act* fol-

PARTIE VI

DISPOSITIONS GÉNÉRALES

Primauté de la Constitution du Canada

51. (1) La Constitution du Canada est la loi suprême du Canada; elle rend inopérantes les dispositions incompatibles de toute autre règle de droit.

Constitution du Canada

(2) La Constitution du Canada comprend :

a) la *Loi sur le Canada*, y compris la présente loi;

b) les textes législatifs et les décrets figurant à l'annexe I;

c) les modifications des textes législatifs et des décrets mentionnés aux alinéas *a*) ou *b*).

Modification

(3) La Constitution du Canada ne peut être modifiée que conformément aux pouvoirs conférés par elle.

Abrogation et nouveaux titres

52. (1) Les textes législatifs et les décrets énumérés à la colonne I de l'annexe I sont abrogés ou modifiés dans la mesure indiquée à la colonne II. Sauf abrogation, ils restent en vigueur en tant que lois du Canada sous les titres mentionnés à la colonne III.

Modifications corrélatives

(2) Tout texte législatif ou réglementaire, sauf la *Loi sur le Canada,* qui fait mention d'un texte législatif ou décret figurant à l'annexe I par le titre indiqué à la colonne I est modifié par substitution à ce titre du titre correspondant mentionné à la colonne III; tout Acte de l'Amérique du Nord britannique non mentionné à l'annexe I peut être cité sous le titre de *Loi constitutionnelle* suivi de

lowed by the year and number, if any, of its enactment.

l'indication de l'année de son adoption et éventuellement de son numéro.

Repeal and consequential amendments

53. Part III is repealed on the day that is one year after this Part comes into force and this section may be repealed and this Act renumbered, consequential upon the repeal of Part III and this section, by proclamation issued by the Governor General under the Great Seal of Canada.

53. La partie III est abrogée un an après l'entrée en vigueur de la présente partie et le gouverneur général peut, par proclamation sous le grand sceau du Canada, abroger le présent article et apporter en conséquence de cette double abrogation les aménagements qui s'imposent à la présente loi.

Abrogation et modifications qui en découlent

French version of Constitution of Canada

54. A French version of the portions of the Constitution of Canada referred to in Schedule I shall be prepared by the Minister of Justice of Canada as expeditiously as possible and, when any portion thereof sufficient to warrant action being taken has been so prepared, it shall be put forward for enactment by proclamation issued by the Governor General under the Great Seal of Canada pursuant to the procedure then applicable to an amendment of the same provisions of the Constitution of Canada.

54. Le ministre de la Justice du Canada est chargé de rédiger, dans les meilleurs délais, la version française des parties de la Constitution du Canada qui figurent à l'annexe I; toute partie suffisamment importante est, dès qu'elle est prête, déposée pour adoption par proclamation du gouverneur général sous le grand sceau du Canada, conformément à la procédure applicable à l'époque à la modification des dispositions constitutionnelles qu'elle contient.

Version française de certains textes constitutionnels

English and French versions of certain constitutional texts

55. Where any portion of the Constitution of Canada has been or is enacted in English and French or where a French version of any portion of the Constitution is enacted pursuant to section 54, the English and French versions of that portion of the Constitution are equally authoritative.

55. Les versions française et anglaise des parties de la Constitution du Canada adoptées dans ces deux langues ont également force de loi. En outre, ont également force de loi, dès l'adoption, dans le cadre de l'article 54, d'une partie de la version française de la Constitution, cette partie et la version anglaise correspondante.

Versions française et anglaise de certains textes constitutionnels

English and French versions of this Act

56. The English and French versions of this Act are equally authoritative.

56. Les versions française et anglaise de la présente loi ont également force de loi.

Versions française et anglaise de la présente loi

Commencement

57. Subject to section 58, this Act shall come into force on a day to be fixed by proclamation issued by the Queen or the Governor General under the Great Seal of Canada.

57. Sous réserve de l'article 58, la présente loi entre en vigueur à la date fixée par proclamation de la Reine ou du gouverneur général sous le grand sceau du Canada.

Entrée en vigueur

Commencement of paragraph 23(1)(*a*) in respect of Quebec

58. (1) Paragraph 23(1)(*a*) shall come into force in respect of Quebec on a day to be fixed by proclamation issued by the Queen or the Governor General under the Great Seal of Canada.

58. (1) L'alinéa 23(1)*a*) entre en vigueur pour le Québec à la date fixée par proclamation de la Reine ou du gouverneur général sous le grand sceau du Canada.

Entrée en vigueur de l'alinéa 23(1)*a*) pour le Québec

Authorization of Quebec

(2) A proclamation under subsection (1) shall be issued only where authorized by the legislative assembly or government of Quebec.

(2) La proclamation visée au paragraphe (1) ne peut être prise qu'après autorisation de l'assemblée législative ou du gouvernement du Québec.

Autorisation du Québec

Repeal of this section

(3) This section may be repealed on the day paragraph 23(1)(*a*) comes into force in respect of Quebec and this Act amended and renumbered, consequential upon the repeal of this section, by proclamation issued by the Queen or the Governor General under the Great Seal of Canada.

Abrogation du présent article

(3) Le présent article peut être abrogé à la date d'entrée en vigueur de l'alinéa 23(1)*a*) pour le Québec, et la présente loi faire l'objet, dès cette abrogation, des modifications et changements de numérotation qui en découlent, par proclamation de la Reine ou du gouverneur général sous le grand sceau du Canada.

Short title and citations

59. This Act may be cited as the *Constitution Act, 1981*, and the Constitution Acts 1867 to 1975 (No. 2) and this Act may be cited together as the *Constitution Acts, 1867 to 1981*.

Titres

59. Titre abrégé de la présente annexe : *Loi constitutionnelle de 1981*; titre commun des lois constitutionnelles de 1867 à 1975 (nº 2) et de la présente loi : *Lois constitutionnelles de 1867 à 1981*.

SCHEDULE I

to the

CONSTITUTION ACT, 1981

MODERNIZATION OF THE CONSTITUTION

Item	Column I Act Affected	Column II Amendment	Column III New Name
1.	British North America Act, 1867, 30-31 Vict., c. 3 (U.K.)	(1) Section 1 is repealed and the following substituted therefor: "1. This Act may be cited as the *Constitution Act, 1867*." (2) Section 20 is repealed. (3) Class 1 of section 91 is repealed. (4) Class 1 of section 92 is repealed.	Constitution Act, 1867
2.	An Act to amend and continue the Act 32-33 Victoria chapter 3; and to establish and provide for the Government of the Province of Manitoba, 1870, 33 Vict., c. 3 (Can.)	(1) The long title is repealed and the following substituted therefor: "*Manitoba Act, 1870*." (2) Section 20 is repealed.	Manitoba Act, 1870
3.	Order of Her Majesty in Council admitting Rupert's Land and the North-Western Territory into the union, dated the 23rd day of June, 1870		Rupert's Land and North-Western Territory Order
4.	Order of Her Majesty in Council admitting British Columbia into the Union, dated the 16th day of May, 1871		British Columbia Terms of Union
5.	British North America Act, 1871, 34-35 Vict., c. 28 (U.K.)	Section 1 is repealed and the following substituted therefor: "1. This Act may be cited as the *Constitution Act, 1871*."	Constitution Act, 1871
6.	Order of Her Majesty in Council admitting Prince Edward Island into the Union, dated the 26th day of June, 1873		Prince Edward Island Terms of Union
7.	Parliament of Canada Act, 1875, 38-39 Vict., c. 38 (U.K.)		Parliament of Canada Act, 1875
8.	Order of Her Majesty in Council admitting all British possessions and Territories in North America and islands adjacent thereto into the Union, dated the 31st day of July, 1880		Adjacent Territories Order

ANNEXE I

LOI CONSTITUTIONNELLE DE 1981

ACTUALISATION DE LA CONSTITUTION

	Colonne I Loi visée	Colonne II Modification	Colonne III Nouveau titre
1.	Acte de l'Amérique du Nord britannique, 1867, 30-31 Vict., c. 3 (R.-U.)	(1) L'article 1 est abrogé et remplacé par ce qui suit : «1. Titre abrégé : *Loi constitutionnelle de 1867*.» (2) L'article 20 est abrogé. (3) La catégorie 1 de l'article 91 est abrogée. (4) La catégorie 1 de l'article 92 est abrogée.	Loi constitutionnelle de 1867
2.	Acte pour amender et continuer l'acte trente-deux et trente-trois Victoria, chapitre trois, et pour établir et constituer le gouvernement de la province de Manitoba, 1870, 33 Vict., c. 3 (Canada)	(1) Le titre complet est abrogé et remplacé par ce qui suit : «*Loi de 1870 sur le Manitoba*.» (2) L'article 20 est abrogé.	Loi de 1870 sur le Manitoba
3.	Arrêté en conseil de Sa Majesté admettant la Terre de Rupert et le Territoire du Nord-Ouest, en date du 23 juin 1870		Décret en conseil sur la terre de Rupert et le territoire du Nord-Ouest
4.	Arrêté en conseil de Sa Majesté admettant la Colombie-Britannique, en date du 16 mai 1871		Conditions de l'adhésion de la Colombie-Britannique
5.	Acte de l'Amérique du Nord britannique, 1871, 34-35 Vict., c. 28 (R.-U.)	L'article 1 est abrogé et remplacé par ce qui suit : «1. Titre abrégé : *Loi constitutionnelle de 1871*.»	Loi constitutionnelle de 1871
6.	Arrêté en conseil de Sa Majesté admettant l'Île-du-Prince-Édouard, en date du 26 juin 1873		Conditions de l'adhésion de l'Île-du-Prince-Édouard
7.	Acte du Parlement du Canada, 1875, 38-39 Vict., c. 38 (R.-U.)		Loi de 1875 sur le Parlement du Canada
8.	Arrêté en conseil de Sa Majesté admettant dans l'Union tous les territoires et possessions britanniques dans l'Amérique du Nord, et les îles adjacentes à ces territoires et possessions, en date du 31 juillet 1880		Décret en conseil sur les territoires adjacents

SCHEDULE I

to the

CONSTITUTION ACT, 1981—*Continued*

Item	Column I Act Affected	Column II Amendment	Column III New Name
9.	British North America Act, 1886, 49-50 Vict., c. 35 (U.K.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Constitution Act, 1886*."	Constitution Act, 1886
10.	Canada (Ontario Boundary) Act, 1889, 52-53 Vict., c. 28 (U.K.)		Canada (Ontario Boundary) Act, 1889
11.	Canadian Speaker (Appointment of Deputy) Act, 1895, 2nd Sess., 59 Vict., c. 3 (U.K.)	The Act is repealed.	
12.	The Alberta Act, 1905, 4-5 Edw. VII, c. 3 (Can.)		Alberta Act
13.	The Saskatchewan Act, 1905, 4-5 Edw. VII, c. 42 (Can.)		Saskatchewan Act
14.	British North America Act, 1907, 7 Edw. VII, c. 11 (U.K.)	Section 2 is repealed and the following substituted therefor: "2. This Act may be cited as the *Constitution Act, 1907*."	Constitution Act, 1907
15.	British North America Act, 1915, 5-6 Geo. V, c. 45 (U.K.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Constitution Act, 1915*."	Constitution Act, 1915
16.	British North America Act, 1930, 20-21 Geo. V, c. 26 (U.K.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Constitution Act, 1930*."	Constitution Act, 1930
17.	Statute of Westminster, 1931, 22 Geo. V, c. 4 (U.K.)	In so far as they apply to Canada, (*a*) section 4 is repealed; and (*b*) subsection 7(1) is repealed.	Statute of Westminster, 1931
18.	British North America Act, 1940, 3-4 Geo. VI, c. 36 (U.K.)	Section 2 is repealed and the following substituted therefor: "2. This Act may be cited as the *Constitution Act, 1940*."	Constitution Act, 1940
19.	British North America Act, 1943, 6-7 Geo. VI, c. 30 (U.K.)	The Act is repealed.	

ANNEXE I (*suite*)

LOI CONSTITUTIONNELLE DE 1981

	Colonne I Loi visée	Colonne II Modification	Colonne III Nouveau titre
9.	Acte de l'Amérique du Nord britannique, 1886, 49-50 Vict., c. 35 (R.-U.)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi constitutionnelle de 1886.*»	Loi constitutionnelle de 1886
10.	Acte du Canada (limites d'Ontario) 1889, 52-53 Vict., c. 28 (R.-U.)		Loi de 1889 sur le Canada (frontières de l'Ontario)
11.	Acte concernant l'Orateur canadien (nomination d'un suppléant) 1895, 2e session, 59 Vict., c. 3 (R.-U.)	La loi est abrogée.	
12.	Acte de l'Alberta, 1905, 4-5 Ed. VII, c. 3 (Canada)		Loi sur l'Alberta
13.	Acte de la Saskatchewan, 1905, 4-5 Ed. VII, c. 42 (Canada)		Loi sur la Saskatchewan
14.	Acte de l'Amérique du Nord britannique, 1907, 7 Ed. VII, c. 11 (R.-U.)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé : *Loi constitutionnelle de 1907.*»	Loi constitutionnelle de 1907
15.	Acte de l'Amérique du Nord britannique, 1915, 5-6 Geo. V, c. 45 (R.-U.)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi constitutionnelle de 1915.*»	Loi constitutionnelle de 1915
16.	Acte de l'Amérique du Nord britannique, 1930, 20-21 Geo. V, c. 26 (R.-U.)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi constitutionnelle de 1930.*»	Loi constitutionnelle de 1930
17.	Statut de Westminster, 1931, 22 Geo. V, c. 4 (R.-U.)	Dans la mesure où ils s'appliquent au Canada : *a*) l'article 4 est abrogé; *b*) le paragraphe 7(1) est abrogé.	Statut de Westminster de 1931
18.	Acte de l'Amérique du Nord britannique, 1940, 3-4 Geo. VI, c. 36 (R.-U.)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé : *Loi constitutionnelle de 1940.*»	Loi constitutionnelle de 1940
19.	Acte de l'Amérique du Nord britannique, 1943, 6-7 Geo. VI, c. 30 (R.-U.)	La loi est abrogée.	

SCHEDULE I

to the

CONSTITUTION ACT, 1981—*Continued*

Item	Column I Act Affected	Column II Amendment	Column III New Name
20.	British North America Act, 1946, 9-10 Geo. VI, c. 63 (U.K.)	The Act is repealed.	
21.	British North America Act, 1949, 12-13 Geo. VI, c. 22 (U.K.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Newfoundland Act*."	Newfoundland Act
22.	British North America (No. 2) Act, 1949, 13 Geo. VI, c. 81 (U.K.)	The Act is repealed.	
23.	British North America Act, 1951, 14-15 Geo. VI, c. 32 (U.K.)	The Act is repealed.	
24.	British North America Act, 1952, 1 Eliz. II, c. 15 (Can.)	The Act is repealed.	
25.	British North America Act, 1960, 9 Eliz. II, c. 2 (U.K.)	Section 2 is repealed and the following substituted therefor: "2. This Act may be cited as the *Constitution Act, 1960*."	Constitution Act, 1960
26.	British North America Act, 1964, 12-13 Eliz. II, c. 73 (U.K.)	Section 2 is repealed and the following substituted therefor: "2. This Act may be cited as the *Constitution Act, 1964*."	Constitution Act, 1964
27.	British North America Act, 1965, 14 Eliz. II, c. 4, Part I (Can.)	Section 2 is repealed and the following substituted therefor: "2. This Part may be cited as the *Constitution Act, 1965*."	Constitution Act, 1965
28.	British North America Act, 1974, 23 Eliz. II, c. 13, Part I (Can.)	Section 3, as amended by 25-26 Eliz. II, c. 28, s. 38(1) (Can.) is repealed and the following substituted therefor: "3. This Part may be cited as the *Constitution Act, 1974*."	Constitution Act, 1974

ANNEXE I (*suite*)

LOI CONSTITUTIONNELLE DE 1981

	Colonne I Loi visée	Colonne II Modification	Colonne III Nouveau titre
20.	Acte de l'Amérique du Nord britannique, 1946, 9-10 Geo. VI, c. 63 (R.-U.)	La loi est abrogée.	
21.	Acte de l'Amérique du Nord britannique, 1949, 12-13 Geo. VI, c. 22 (R.-U.)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi sur Terre-Neuve.*»	Loi sur Terre-Neuve
22.	Acte de l'Amérique du Nord britannique (N° 2), 1949, 13 Geo. VI, c. 81 (R.-U.)	La loi est abrogée.	
23.	Acte de l'Amérique du Nord britannique, 1951, 14-15 Geo. VI, c. 32 (R.-U.)	La loi est abrogée.	
24.	Acte de l'Amérique du Nord britannique, 1952, 1 Eliz. II, c. 15 (Canada)	La loi est abrogée.	
25.	Acte de l'Amérique du Nord britannique, 1960, 9 Eliz. II, c. 2 (R.-U.)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé : *Loi constitutionnelle de 1960.*»	Loi constitutionnelle de 1960
26.	Acte de l'Amérique du Nord britannique, 1964, 12-13 Eliz. II, c. 73 (R.-U.)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé : *Loi constitutionnelle de 1964.*»	Loi constitutionnelle de 1964
27.	Acte de l'Amérique du Nord britannique, 1965, 14 Eliz. II, c. 4, Partie I (Canada)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé de la présente partie : *Loi constitutionnelle de 1965.*»	Loi constitutionnelle de 1965
28.	Acte de l'Amérique du Nord britannique, 1974, 23 Eliz. II, c. 13, Partie I (Canada)	L'article 3, modifié par le paragraphe 38(1) de la loi 25-26 Elizabeth II, c. 28 (Canada), est abrogé et remplacé par ce qui suit : «3. Titre abrégé de la présente partie : *Loi constitutionnelle de 1974.*»	Loi constitutionnelle de 1974

SCHEDULE I

to the

CONSTITUTION ACT, 1981—*Concluded*

Item	Column I Act Affected	Column II Amendment	Column III New Name
29.	British North America Act, 1975, 23-24 Eliz. II, c. 28, Part I (Can.)	Section 3, as amended by 25-26 Eliz. II, c. 28, s. 31 (Can.) is repealed and the following substituted therefor: "3. This Part may be cited as the *Constitution Act (No. 1), 1975*."	Constitution Act (No. 1), 1975
30.	British North America Act (No. 2), 1975, 23-24 Eliz. II, c. 53 (Can.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Constitution Act (No. 2), 1975*."	Constitution Act (No. 2), 1975

ANNEXE I (*fin*)

LOI CONSTITUTIONNELLE DE 1981

	Colonne I Loi visée	Colonne II Modification	Colonne III Nouveau titre
29.	Acte de l'Amérique du Nord britannique, 1975, 23-24 Eliz. II, c. 28, Partie I (Canada)	L'article 3, modifié par l'article 31 de la loi 25-26 Elizabeth II, c. 28 (Canada), est abrogé et remplacé par ce qui suit : «3. Titre abrégé de la présente partie : *Loi constitutionnelle nº 1 de 1975*.»	Loi constitutionnelle nº 1 de 1975
30.	Acte de l'Amérique du Nord britannique nº 2, 1975, 23-24 Eliz. II, c. 53 (Canada)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi constitutionnelle nº 2 de 1975*.»	Loi constitutionnelle nº 2 de 1975

Mr. Hal Herbert (Vaudreuil): Madam Speaker, when my remarks were interrupted by the adjournment motion last evening, I had said that I accept that the inclusion of the Canada clause is the best we can expect in the circumstances. Obviously I am acknowledging that I would have liked something better. In the next few minutes I will try to explain why I am prepared to accept a compromise.

I should say, first, as I said last evening, that as an immigrant who has enjoyed almost 40 years in Canada, maybe longer than most people who are presently Canadians who are living in Canada, I have always felt that the immigrant coming to this country must try to accept conditions as they are and not try to change the inherent culture, nature and character of the people. Of course, I cannot hide the fact that I am an anglophone. With an accent such as mine, I am unable to hide the fact that I am an immigrant. As a result, I have been part of what I might term a sort of minority caucus in my party, and my good friend who sits beside me, the hon. member for Ottawa-Vanier (Mr. Gauthier), has been fighting—even today in question period—for the rights of *Les francophones hors Québec*. My job today is to explain why I feel that the anglophones in this country, and specifically the anglophones in the province of Quebec, should accept as the best possible compromise the insertion of what is commonly termed the Canada clause in the constitutional proposition.

● (1510)

Section 23 will apply to Quebec with the exception of subsection 23(1)(a). The minority language of education rights which will go into effect immediately are the Canada clause—Section 23(1)(b)—and the continuation of education right—Section 23(2). These two sections provide the minimum of reciprocity between Quebec and the other provinces, which the PQ government itself acknowledged as desirable in the 1977 St. Andrews and the 1978 Montreal agreements with the other provinces and for which provision was made in Quebec's Bill 101. In fact, the resolution does little more than give effect to section 86 of that law, something Quebec was unable to do, because the consent of the other provinces was a prior requirement. That consent has now been achieved through the Charter of Rights and Freedoms.

The charter also gives Quebec the right to opt in to constitutional provisions protecting the language of education rights of citizens according to their mother tongue. Section 23(1)(a) will not apply in Quebec until the National Assembly has given its approval. In the meantime, however, its protection will be available to French-speaking Canadians in other provinces, a matter of great importance for them.

Subsection 23(1)(a), the mother tongue test, permits immigrants who become citizens and whose first language is English or French to have their children educated in English or French. In Quebec this right will not be extended to new citizens, to meet the concerns of Quebec that the majority of new citizens will assimilate with the minority language group when the desire is to have them identify with the majority language population.

Subsection 23(1)(a) also gives the right to parents who are Canadian citizens and received their primary school education in Canada, but not in their mother tongue, to have their children receive their education in the mother tongue. This right is important to francophones residing in many provinces where facilities for French language education have not been generally available until very recently. The right is also important in Quebec. However, anglophones in Quebec have always had access to English language instruction.

Put in concrete terms, in Quebec a citizen who received his primary school instruction in Canada in English—Section 23(1)(b)—or a citizen whose child was educated or is being educated in English in Canada—Section 23(2)—will have a right to have all his children educated in English at the primary and secondary level. On the other hand, a new citizen who did not attend primary school in English in Canada would not have the right to send his children to English schools even though his mother tongue was English, unless he had previously lived in another province and his children had already begun their education in English.

However, there is an opt-in provision for Quebec, and we are going to have to hope that we can eventually change the government in the province of Quebec so that we can exercise that option. Section 58, which has been added to this resolution, will provide a mechanism for Quebec to opt in the Section 23(1)(a) once the National Assembly signifies its approval of this section in respect of Quebec.

Because my children have been educated in both English and French schools in the province of Quebec, I feel that I am in somewhat of a privileged position. I am concerned, however, and will continue to be concerned that there will be other Canadian immigrants like myself whose children have not yet entered the educational system in this country who will not have that same choice or right. However, I am also well aware that there are many francophones in the province of Quebec who would like to be able to exercise their right to send their children to English schools and who at the present time do not have that right.

Life is a compromise. To live with each other in peace and harmony we must try not only to respect the opinions of others but also attempt to understand the reasons for their concerns.

It is my belief that the constitutional proposal we are debating is the best compromise that could have been compiled in a country as diverse as our country, Canada.

In conclusion, I congratulate all those who have participated in making this agreement possible. I would like to express particular gratitude to the Prime Minister (Mr. Trudeau) and the Minister of Justice (Mr. Chrétien) who, by their courage and determination, have achieved the seemingly impossible. We are all very proud to be Canadian.

Hon. Flora MacDonald (Kingston and the Islands): Mr. Speaker, I rise to take part in this debate today in a mood vastly different from that which would have characterized my approach had I spoken yesterday. My remarks then would have conveyed my anger that once again the fundamental principle of the equality of women and men was under siege and my despair that an 80-year-old struggle for the basic rights of women in this country had brought us but such a short distance and, finally, I would have expressed my fervent hope that right and reason would yet prevail.

I am glad to say that hope has won the day. I feel a deep and overwhelming sense of relief—and then of jubilation—that the amendment before us is to be accepted and Section 28 entrenched without qualification and without any override provision in the charter. That section merits repeating:

> Notwithstanding anything in this Charter, the rights and freedoms referred to in it are guaranteed equally to male and female persons.

But as we accept this amendment before us, let us not forget the hurdles that had to be overcome to achieve it nor the hard work and effort of thousands of Canadian women and men who made it possible.

Section 28, as hon. members will remember, was not in the original constitutional proposals introduced into the House in October of 1980. Neither was it a product of the weeks and months of the hearings of the joint parliamentary committee on the Constitution. That hard-working committee produced many amendments, but Section 28 was not among them. No, that section was the creation of hundreds—indeed, thousands—of Canadian women who converged on Ottawa last spring to speak their minds about what they considered their fundamental rights.

Who were those women and what did they represent? They were of all political affiliations and no political affiliation. They came from all parts of Canada and all backgrounds. They were housewives and students, professional women and store clerks, grandmothers and their children and their children's children bound together by one great common bond, to see that justice prevailed.

● (1520)

The lobby that ensued in the weeks following the women's ad hoc committee on the Constitution was one of the most successful and resourceful that Parliament Hill has ever witnessed. They convinced party member individually and collectively that a Charter of Rights and Freedoms, to be worthy of its name, must declare forthrightly and nobly the true equality of women and men.

On a historic day last April, April 21, Section 28, which I read a little earlier, was accepted unanimously by all members of the House of Commons. That is the way it remained until earlier this month when the first ministers met in one last effort to make federalism work. They met to see if they could come up jointly with an agreed-upon constitutional resolution. At that time Section 28 was left untouched, either through neglect or oversight or because it was considered to be of no great importance.

At that conference earlier this month Section 28 was not even discussed, as various first ministers have admitted. But bureaucrats, who have a way of dealing with what they consider technical details, soon put an end to that. They persuaded their political masters to emasculate Section 28 by subjecting it to a legislative override. Women, once again denied full equality in law, by their thousands took up anew the battlecry of equal rights.

During these past two weeks we have witnessed their tremendous effort with admiration and have been proud to be a part of it. The results are as we see them today—full restoration of the guarantee of equality in law to women and men. I am almost tempted to say, Mr. Speaker, "Let us hurry and get this resolution off to Westminster before somebody changes his mind".

Some hon. Members: Hear, hear!

Miss MacDonald: What has for me been one of the most rewarding aspects of this year-long battle has been the political awakening and mobilization of thousands of Canadian women, women who never before had taken part in a political campaign but who now recognize the virtue of that word "solidarity".

In all the battles that lie ahead, and there will be many, women know that they have forged bonds which will stand them in good stead whenever the need arises, and the need will arise. What has been achieved today is not an end but a beginning.

You will notice that I have used the phrase on several occasions "equality in law" because it is still sadly true that there is no equality in fact. I look at this little pamphlet put out by the Canadian Advisory Council on the Status of Women entitled "Women and Poverty: What are your Chances?" There is a section headed "Poverty: More likely if you're a woman". These are some of the points it makes:

> There are 1.4 times the number of poor women as poor men in Canada.
>
> Two-thirds of all minimum-wage workers are women.
>
> Single mothers are especially at risk:
> —83 per cent of all single parent families are headed by women.
> —44 per cent of these families are living below the poverty line.

It goes on:

> And your chances of being poor increase if you are old and alone:
> —6 out of 10 single, divorced or widowed women over 65 have annual incomes under $5,000.
> —Less than 1 in 4 widows can expect to get a widow's pension from a private pension plan.
> —One-half of all unattached women over 65 depend entirely on government pensions for their support . . .
>
> Getting a job does not necessarily insure women against poverty.
>
> One out of six women employed full-time earns less than $6,000 per year.
>
> Women employed full-time earn only 62 per cent of what men earn.
>
> The Canada/Quebec Pension Plan . . . the average income for a woman . . . is $99 per month while for a man it is $141.

Women did not choose to be in this position of deprivation and poverty, but society, attitudes and laws have combined to relegate hundreds of thousands of women to a life bereft of self-dignity and hope. We can ask, are women guaranteed equal treatment under the Criminal Code with respect to sexual assault? Do women receive equal pay for work of equal value? Should Indian women who marry non-Indians lose their status whereas Indian men do not?

The reinstatement of Section 28 in the Charter of Rights and Freedoms is a great step forward, but we have to recognize that it will not materially or magically change the status of women overnight. Attitudes are deep-rooted and hard to dislodge. Decision-making in most fields will continue to be dominated by men. The provisions of this charter itself must undergo a three-year time lag before it can be used by individual Canadians to challenge discriminatory practices. That three-year period can be used by both Parliament and the provincial legislatures to change existing laws that deny the equality of women in fact, or to introduce new legislation advancing the status of women.

But why wait the three-year period? Why not undertake a crash program now to bring all other legislation into accord with Section 28? The Government of Canada can set the example. It can do so by eliminating immediately the most glaring inequity in the country, the one for which we are internationally renowned. I refer to the lot of Indian women, condemned by Section 12(1)(b) of the Indian Act to lose their Indian status if they marry a non-Indian. Indian men, as we all know, do not lose their status if they marry a non-Indian.

When Sandra Lovelace, an Indian woman from New Brunswick who had lost her status, took her case to the United Nations Human Rights Commission, the federal government in its defence stated, and I quote from United Nations Human Rights Commission Communication R6/24 dated July 30, 1981:

> Legislative proposals are being considered which would ensure that no Indian person, male or female, would lose his or her status under any circumstances other than his or her own personal desire to renounce it . . .
>
> Legislative recommendations are being prepared for presentation to cabinet for approval and placement on the parliamentary calendar for introduction before the House by mid-1981.

That promise has already been overtaken by time. Let the government now come forward with legislation to correct this injustice and I am certain it will receive speedy passage. It will also be an earnest indication of the government's firm resolve to accord the highest priority, both symbolically and substantively, to the full equality of women and men.

The battle for equality takes many forms and it will go on in many arenas, but in this past year the women of Canada have shown that they are more than up to it. They have won a signal victory and the country is the better for it. So, too, our system of federalism has been reaffirmed and the country is the stronger for it. Unilateralism has been rejected.

● (1530)

Canadian women have kept faith with those great pioneers of the feminist movement who, in their day, had to overcome much greater obstacles. In the early years of this century, it was Agnes McPhail, Emily Murphy, Nellie McClung and others who blazed the path. And more recently, Therese Casgrain, Ellen Fairclough and Judy LaMarsh.

Yes, the women's movement of 1981 has indeed kept faith. Parliament and legislatures have responded to their efforts and, as a result, we can take pride in the fact that our Constitution will be a nobler, a loftier document. Women's rights have been confirmed.

I have no doubt, Mr. Speaker, that these women of 1981, worthy successors of the early suffragette movement, had and will continue to have as their rallying cry Nellie McClung's fighting words of the 1920s:

> Never retreat, never apologize, never explain. Get the job done and let them howl.

Mrs. Margaret Mitchell (Vancouver East): Mr. Speaker, it gives me great pleasure to rise today in the House, a very important day for all of us in this House and indeed for the people of Canada. As we all know, last night the Minister of Justice (Mr. Chrétien) announced that the nine provinces which signed this provincial accord agreed that Section 28 of the equality of men and women would apply in the new Constitution, and would apply without the provinces being able to override this section.

The minister also announced that the provinces had now agreed to enshrine existing aboriginal rights in our new Constitution, the word "existing" being added to the former Section 34 which will be reinstated. I need not say once again how delighted we in the New Democratic Party are, after all the struggles of so many people in our party and in other parties and indeed citizen organizations across this country, that these new developments have taken place and are now approved across our land.

Some hon. Members: Hear, hear!

Mrs. Mitchell: As a member of the New Democratic Party and caucus, I am very proud that Section 28 was introduced by the New Democratic Party last spring. It was done in conjunction with many advocates from women's groups who had legal advice among their own members and worked very hard to make sure that there were provisions in this Constitution that would make absolutely certain that equal rights for men and women would be entrenched.

I am also very proud that it was my leader and my party that over the past three or four years have made this a major issue in our campaigns and indeed in our performance in this House. There is certainly no issue more important than the whole question of the rights of aboriginal peoples and women of Canada.

Some hon. Members: Hear, hear!

Mrs. Mitchell: We in the New Democratic Party rejoice that equal rights for men and women once again will have paramountcy as a national goal which no province can ignore and, indeed, which the federal government also cannot ignore.

Women of Canada can take great pride in their very successful lobby which they organized over the past two-week period and previously last spring. They were able to protest the federal-provincial accord which had overridden equal rights for men and women in Section 28.

We should not forget, Mr. Speaker, that the first ministers of our provinces did not see this as a national right and priority. They did not consult with Canadian women. They had no Canadian women in their ranks sitting at the table making decisions. The Prime Minister (Mr. Trudeau) himself was willing to trade off protection of women's rights for an accord that protected other rights but not the rights of women in Canada.

These attitudes, I must say made by male politicians who control decisions in this country, will not soon be forgotten by Canadian women, even though we are rejoicing that the changes have been made. I want to quote one woman lobbyist who said:

Hell hath no fury like a woman scorned.

This proves once again with dramatic clarity that it will be absolutely essential in the future to have women politicians in local, provincial and federal governments.

Another point which makes me very proud to have been associated with women's groups who have lobbied so hard for equal rights and who have worked along with their parliamentarians in this regard is the solidarity which they showed toward the rights and efforts of native people, and the commitment which they still have to try to remove the provincial override from all sections which affect people's rights generally.

This morning a member of the ad hoc women's committee said to me, and I quote:

Last night's announcement is a good beginning, but we have only won half the battle. We must get rid of the override completely regarding fundamental freedoms in Section 2 and also the Sections 7 to 15 regarding rights and freedoms which must be universally applied across Canada with no override clause for provinces.

This will be an effort to be continued not only by women's groups but by all of us who are concerned about equality in our country that applies equally from sea to sea, regardless of which province we may live in.

For example, in British Columbia it happens that we have a very weak Human Rights Commission. The permanent members to this commission have not yet been appointed by the government. I regret to say, Mr. Speaker, that recently members of this commission were chastised because of their attitude and their language toward women. It is very reminiscent, incidentally, of Senator Hays, our famous representative on the Constitution committee. Is this the kind of body, in a province such as British Columbia, that we want to protect people's rights and put pressure on the government?

Also in British Columbia we have a government which recently has forced women on welfare who have a young child to go to work. It uses very punitive measures to do this by depriving them of a certain amount of their welfare cheques. This is the kind of thing, again, that makes women fearful, especially if they think provinces may have undue authority with regard to certain rights, particularly as they apply to women.

On the other side of the continent, I want to say that I was told this morning by a woman from St. John's that their premier worked very hard to keep offshore resources under provincial jurisdiction. We agree with that decision, but it is ironical, Mr. Speaker, that women who are applying for these very jobs in offshore resources have been refused work and have appealed to the Human Rights Commission.

I mention these examples to reinforce the importance of this change and the importance of having a national policy, not a policy that can be changed from province to province.

Some hon. Members: Hear, hear!

Mrs. Mitchell: I agree with the ad hoc women's committee—I am quoting them rather frequently because I have seen them on many occasions in my office—that we have a long way to go and that there will be many cases to test these constitutional provisions. But we are pleased that such a good start has been made. By including Section 28 with no override, we expect, for example, that the Supreme Court of Canada will never again be able to rule against women as it did in the Lavell, Bédard and Bliss cases, as well as in other instances mentioned by the hon. member for Kingston and the Islands (Miss MacDonald) and yesterday by the hon. member for New Westminster-Coquitlam (Miss Jewett).

• (1540)

Some concerns have been expressed that guaranteeing equal rights for male and female persons may undermine affirmative action programs designed to open opportunities for women and for other minorities, such as the handicapped and ethnic groups. Of course, this will be tested in the courts. However, it is our clear understanding that equality is a constitutional goal, a goal which will apply to all provinces as a result of the change. Provincial affirmative action programs are the means of achieving equality through equal treatment of women and other minorities. This means the goal of equality will be entrenched and that affirmative action will be constitutionally protected as a means to achieve equality. We now have a federal principle. Hopefully this will be an impetus to encourage affirmative action programs within federal jurisdictions,

provincial jurisdictions and also in the municipal levels of government.

Before I move on to other aspects of discrimination and constitutional rights upon which I should like to touch today, I want to place in the record a summary of the evolution and development that has occurred in the Canadian women's movement as a result of their fight for equality over the past few months. Never have Canadian women organized so quickly, realized their potential and lobbied so effectively for so just a cause.

Some hon. Members: Hear, hear!

Mrs. Mitchell: This is a summary of how they did it and what they gained through mass action and organization. It is important for women across Canada to know this and to learn from experiences so that they can go on to further actions of this kind. It reflects an awakening and the involvement of a whole new generation of women, along with many concerned men and many of us who are in older generations.

The ad hoc committee, for example, is connected with hundreds of organizations across the country. In January, 1981, women found out that the second promised conference on issues relating to the Constitution was cancelled. An ad hoc committee was formed to work with women in Parliament because there were so few of us in the House of Commons. The ad hoc conference was held on February 14. Hundreds of women attended on very short notice. There were no funds available from the government to help them get here or even to pay for telephone calls and stamps. They met, they lobbied, they learned, and they took many actions which caused many of us to become much more actively concerned about the Constitution, as it did not cover the rights of women at that time. They met with each caucus, with party leaders and with powerful people at all levels of government.

Of course, the committee was also connected with many groups across the country, such as the National Association of Women and the Law, provincial advisory councils, the Canadian Teachers' Federation, the YWCA, the Ottawa women's lobby, business and professional women, women in trade unions and women concerned with political action. It was a very democratic process and a very enlightening one. I know my colleagues will agree when I say that this was the major reason for having an expanded Constitution today, with the removal of the provincial override on women's rights in Section 28.

Some hon. Members: Hear, hear!

Mrs. Mitchell: Why is Section 28 so important? I should like to mention quickly some examples of discrimination which were perhaps mentioned in questions posed in the House. These are examples of which I have been personally aware in my short experience of three years since becoming a member of Parliament. First, immigrant women. We know that the Immigration Act in some ways discriminates against women. Certainly the settlement services of the federal government do not provide adequate coverage for individual women who want to come into our country with rights equal to those of their male partners. For example, settlement services apply equally to women and their children. They do not allow them equally to take courses, to go to work and to learn English or French. Also we know that domestic workers, most of whom are women, experience difficulties when they come to Canada. Will the Constitution now help to protect their rights and move them toward citizenship more quickly?

There are many examples of women who are trying to get into the whole field of non-traditional jobs. Today I met with some of our brothers from the fishermen's union in British Columbia. I was reminded of a case there where fisherwomen who were working as partners with their husbands were refused unemployment insurance benefits on an equal basis. Of course, they took their case to the Human Rights Commission and after a long struggle they won. I hope this discrimination will no longer be possible under the new Constitution.

I am reminded of women in Stelco, the women in the steel industry in Hamilton. I visited groups last year and discovered that Rosie the Riveter was welcomed in the steel industry during the war; in fact there was day care provided in the workplace. As soon as the war was over, there were no jobs for women in the steel industry. The Minister of Indian Affairs and Northern Development (Mr. Munro) should take note of this instance. The women in steel are certainly not putting up with this. Many have now regained their right to work in the industry. There are others fighting for equal opportunities to work in CNR, Douglas Aircraft and many other industries.

In my own riding I talked with members of the painters' union and of the International Woodworkers of America. I am pleased that the labour movement and many unions which are dominated largely by male trade union members are now much more aware of the rights of women in this area. For example, members of the painters' union are saying to their employers, "Look, if you are going to employ us, you are going to make jobs open equally to any person who can qualify for them, regardless of sex". They have found that women can carry ladders and paint cans just as well as men.

Some hon. Members: Hear, hear!

Mrs. Mitchell: Last week I attended a meeting in Ottawa concerned with women in trades. I was told that there were many women with interests in mechanical, electrical and other trades traditionally considered as being in the field of male employment who want very much to get into these trades. One thing which happened in our society was that women in their education have been forced into sex roles and perhaps do not have the background or training for such skills. They find that there has been a cutback in the federal government of training programs and pre-employment upgrading programs to assist women to get into trades on an equal basis. The same thing applies to women wishing to enter high technology fields of the future, particularly in this area of the country, and to other areas where women must have equal rights and opportunities for employment with no question of sex involved. We hope the Constitution will now support the whole movement in which

we believe very strongly, as do our trade union friends—equal pay for work of equal value.

Last year in my riding there was a Kenworth Industries, CAIMAW strike, and women eventually won equal pay. They won that after a six-month strike. They should not have had to wait six months or to go on strike for equal pay, Mr. Speaker. This is another inequity which I hope they will challenge as the result of the constitutional changes.

• (1550)

There are many examples that have been raised in the House in the past year of women clerks in the public service, general service workers, research technicians doing jobs equal to those done by many male employees but who are being paid on a higher basis. This we will no longer tolerate, Mr. Speaker.

I cannot go on without mentioning bank workers, nurses and hospital workers who traditionally work at lower rates of pay than they should. Daycare workers are another important example.

Not only is this protection now in our Constitution, which will allow all people concerned with human rights to go before the courts, but I suspect it is the beginning of a change in attitude in the country—a change in the attitude of employers and workers themselves who will demand their rights.

Women in the home must also be recognized as workers who do an extremely important job in raising the children. They have the right to pensions, benefits and an income as well as the recognition that they are doing just as important a job at home as they would in the work force. We hope there will be changes and that the government will support this.

I have two more points to deal with before my time expires, Mr. Speaker. I am speaking primarily to Section 28 of the constitutional amendment dealing with women's rights but I should like hon. members to know that this party is equally concerned with the whole question of aboriginal rights. The women of Canada have gone on record as showing solidarity with the native people in their struggle for the changes that will benefit them and protect their present rights but most important, perhaps, will protect their rights in the future.

When we speak of the future of the aboriginal people, I think the best way to make the point clearly is to speak about the necessity for federal action on behalf of native children. Last spring I was a member of the Standing Committee on Health, Welfare and Social Affairs subcommittee on children, whose report has not yet gone to cabinet and certainly has not yet been mentioned in the House. In a minority report which I presented on behalf of the NDP we recognized the rights of Indian children and their desperate situation as being a first priority. We recommended that Indian, Inuit, Metis and non-status Indians in all regions be protected by constitutional provisions. We also felt that it was essential that, based on this recognition, adequate funding be provided for economic and educational programs that would ensure that native children would be proud to be Indian, Métis or Inuit.

We recommended that there be changes in the whole health care service and that, in consultation with native people, children of Indian and native background have the opportunity to grow up in the native environment. I hope this new Constitution will mean that native children will no longer be taken from their homes or native communities and put in foster homes of non-native people.

Some hon. Members: Hear, hear!

Mrs. Mitchell: Finally, Mr. Speaker, I want to refer briefly to Section 15 which deals with equality rights and states as follows:

> Every individual is equal before and under the law and has the right to the equal protection and equal benefit of the law without discrimination and, in particular, without discrimination based on race, national or ethnic origin, colour, religion, sex, age or mental or physical disability.

I am saddened that this position, which is so important and should be so universal, still has the provincial override. I should like to illustrate the importance of this by citing the example of what happened to the Chinese and Asian people of Canada. This demands that there must be full protection of their rights. In my riding as in other parts of western Canada, many Chinese were brought to Canada to work on the CPR. There was a head tax imposed by the federal government of $50 per person. It was raised to $100 in 1900 and to $500 in 1903. In 1907 a riot occurred in Vancouver's Chinatown, instigated by the Asiatic Exclusion League, which was formed in 1907 in response to the increased Japanese, Chinese and East Indian immigration. These people were being excluded because they were Asian. Splinter mobs went through Chinatown breaking windows, then they moved to Powell Street in the Japanese quarter for more of the same. Some Chinese domestic and kitchen workers tried to oppose this but, of course, they were subjected to all kinds of discrimination.

The exclusion act was not repealed until 1947, when immigration was permitted but with increased restrictions on Asian groups. Finally, in 1967 the federal government adopted the universal merit system which ended discrimination. However, it was not until 1947 that Canadians of Asian origin finally won the right to vote.

We are also very familiar with the internment of Japanese Canadians and the shame and nightmares that continue for all Canadians who think of this situation.

I should like to draw to the attention of the Minister of Employment and Immigration (Mr. Axworthy) the present concern of East Indians in our country. We have expressed our view in questions. We must be sure that under the Immigration Act there is equal treatment for all people, regardless of their country of origin, their race and ethnicity.

Some hon. Members: Hear, hear!

Mrs. Mitchell: In conclusion, Mr. Speaker, I want to say once again that we are very proud that we are reaching the conclusion of this very historic process. I am particularly proud that it was this party that fought so hard for inclusion of both

the aboriginal rights section and Section 28 which protects the rights male and female persons.

I want to congratulate all members of the House and all people across Canada who worked so hard for this great day for Canadians.

Some hon. Members: Hear, hear!

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

Some hon. Members: Question.

● (1600)

Mr. Deputy Speaker: The question is on the amendment. Is it the pleasure of the House to adopt the amendment?

Some hon. Members: Agreed.

Mr. Deputy Speaker: Carried.

Mr. Nielsen: No, no, no.

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

Some hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay. In my opinion, the yeas have it.

Mr. Nielsen: No.

And more than five members having risen:

Mr. Deputy Speaker: Call in the members.

The House divided on the amendment (Mr. Clark), which was agreed to on the following division:

● (1610)

(*Division No. 125*)

YEAS

Messrs.

Allmand
Althouse
Andre
Anguish
Appolloni (Mrs.)
Axworthy
Bachand
Baker (Gander-Twillingate)
Baker (Nepean-Carleton)
Beatty
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Benjamin
Berger
Blackburn
Blaikie
Blaker
Blenkarn
Bockstael
Bosley
Bradley
Breau
Broadbent
Bujold
Burghardt
Caccia
Campbell (Miss) (South West Nova)
Campbell (Cardigan)
Cardiff
Carney (Miss)
Chrétien
Clark (Yellowhead)
Clarke (Vancouver Quadra)
Collenette
Comtois
Cook
Cooper
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Crosbie (St. John's West)
Crosby (Halifax West)
Crouse
Cyr
Dantzer
Daudlin
Dawson
Deans
De Bané
de Corneille
de Jong
Demers
Deniger
Desmarais
Dick
Dingwall
Dion
Dionne (Chicoutimi)
Domm
Dubois
Duclos
Dupont
Dupras
Ellis
Elzinga
Epp
Erola (Mrs.)
Ethier
Evans
Fennell

Messrs.

Ferguson
Fisher
Fleming
Flis
Forrestall
Foster
Fox
Francis
Fraser
Fretz
Friesen
Frith
Fulton
Garant
Gauthier
Gilchrist
Gimaïel
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Greenaway
Guilbault
Gurbin
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Harquail
Hawkes
Heap
Herbert
Hervieux-Payette (Mrs.)
Hnatyshyn
Hopkins
Howie
Huntington
Irwin
Jarvis
Jelinek
Jewett (Miss)
Johnston
Joyal
Kaplan
Keeper
Kelly
Kilgour
Killens (Mrs.)
King
Kushner
Lachance
Lajoie
Lambert
Lamontagne
Landers
Lang
Laniel
Lapierre
Lapointe (Charlevoix)
Lapointe (Beauce)
La Salle
Lawrence
LeBlanc
Lefebvre
Lewis
Lonsdale
Lumley
MacBain
MacDonald (Miss)
MacGuigan
Mackasey
MacLaren
Malone
Maltais
Manly
Marceau
Massé
Masters
Mayer
McCauley
McCuish
McDermid
McGrath
McKinnon
McLean
McRae
Miller
Mitchell (Mrs.)
Munro (Hamilton East)
Murphy
Nielsen
Nowlan
Nystrom
Oberle
Olivier
Orlikow
Paproski
Parker
Patterson
Pelletier
Penner
Pepin
Peterson
Pinard
Portelance
Prud'homme
Regan
Reid (St. Catharines)
Reid (Kenora-Rainy River)
Riis
Roberts
Robinson (Burnaby)
Robinson (Etobicoke-Lakeshore)
Roche
Rompkey
Rose
Rossi
Roy
Sargeant
Savard
Schellenberger
Schroder
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Shields
Siddon
Simmons
Skelly
Smith
Stevens
Tardif
Taylor
Tessier
Thacker
Tobin
Tousignant
Turner
Vankoughnet
Veillette
Waddell
Watson
Weatherhead
Wenman
Whelan
Wilson
Wise
Wright
Yanakis
Young
Yurko—222.

NAYS

Messrs.

Nil

● (1640)

[*Translation*]

Madam Speaker: I declare the motion carried.

[*English*]

Hon. John C. Munro (Minister of Indian Affairs and Northern Development): Madam Speaker, this moment gives me the greatest pleasure I have experienced as Minister of Indian Affairs and Northern Development. The opportunity to move the motion put before the House is the highlight not only of myself as minister, but of any minister who could occupy this portfolio. I might also add that it is a welcome and dramatic conclusion to one of the most intensive periods of

agonizing discussion that I have experienced in all my days and years as a member of this House.

Members of the House, I cannot overemphasize the significance that I place on the events of the last couple of days in view of the outcome. The distance that native people have come in those few short days, by gaining recognition for their aboriginal and treaty rights in what is soon to become the highest expression of the law of this land, is immeasurable at this time. However, I predict that history will prove it to be a giant step.

Let it be said now that the disappointment that I and others felt earlier this month on the eve of the accord, when it became evident that some provinces declined to endorse the concept of aboriginal rights, was second only to that of the native people themselves.

Let it be said now for the record that many of us share a high degree of elation today. I recall, moving out of the Convention Centre with native leaders, what I and some of my colleagues had to face when Section 34 was dropped. One cannot measure the terrible grief, disappointment and utter frustration that they expressed on that particular day.

I want the Indian people especially to understand why I feel as I do. To be sure, the contrast between my disappointment of a few days ago and my mood today is uplifting. But that is not the only reason. Hon. members, we are here today in the House of Commons with a motion that proposes to accord to native peoples a unique status in the highest law of the land. Not only are we as Members of Parliament about to consider this historic amendment; we are here to do so with the specific endorsement of the nine provincial governments which were parties to the November 5 accord on patriation of the Constitution.

Some hon. Members: Hear, hear!

Mr. Munro (Hamilton East): It is the involvement of those provinces that is most significant to me. It is the fact that they are in this resolution that makes me so encouraged today. The people of Canada and their leaders have concentrated on this question with an intensity such as has been seldom experienced. What they have decided irrefutably is that an expression of this country's highest principles is simply not acceptable without due recognition for native people, the first Canadians.

To be sure, the constitutional resolution with this amendment will not resolve all the outstanding issues. It will not put to rest all the questions about the future relationship of native people to the rest of the country. If the motion before the House is passed, it will set the stage for a whole new series of issues yet to be raised. It represents, however, an enormous gain over where we were after the signing of the November 5 Accord.

In the depressing moments of reflection which followed that initial jubilation of reaching agreement on patriation, who would have thought in these few short days that this was possible? Aside from the gentle pressure which my colleague the Minister of Justice (Mr. Chrétien) referred to last week, it took some considerable soul-searching and accommodation on the part of certain provinces to get us where we are today. Let us trust that, as the process unfolds and as we begin to address, in preparation for a constitutional conference, those outstanding issues I have already mentioned, this new spirit of co-operation will be sustained.

● (1650)

I would like to review the critical provisions in this package that refer to natives. First, under the proposed amendment to the resolution the most critical section recognizes and affirms aboriginal and treaty rights of all aboriginal peoples in the highest law of the land. While the clause differs in one minor respect from the previous Section 34, it has the identical effect as the previous section. This is borne out by the legal opinions afforded the government.

Second, I would like to emphasize that the resolution also contains other important provisions respecting native people. Specifically Section 25 of the Charter of Rights and Freedoms states:

> The guarantee in this Charter of certain rights and freedoms shall not be construed so as to abrogate or derogate from any aboriginal, treaty or other rights or freedoms that pertain to the aboriginal peoples of Canada, including
>
> (a) any rights or freedoms that have been recognized by the Royal Proclamation of October 7, 1763; and
>
> (b) any rights or freedoms that may be acquired by the aboriginal peoples of Canada by way of land claims settlement.

This section, then, is purposely open-ended and protects those rights which may flow to natives from future land claims settlements.

Third, the resolution also provides for the establishment of a constitutional conference at which there will be an item on the agenda respecting matters that directly affect the aboriginal peoples of Canada. Representatives of aboriginal peoples will be invited to participate in this conference. This agenda item will include the identification and definition of the specific rights of native peoples to be included in the Constitution of Canada. I hope that all parties, including the provincial governments and the federal government and the native people, will do all they can to ensure that that conference is a success. Considerable effort will be needed to find common ground among Indian peoples, other native peoples and Canadians in general before understanding and acceptance is reached on all issues. But I am sure this can be achieved.

It is a great accomplishment today. I should like to pay my respects to all the work and effort of so many members of this House, not the least of which is the colleague sitting beside me, the Minister of Justice (Mr. Chrétien), who has worked tirelessly for many months and who has certainly been on the telephone during the weekend and the last two days to bring about this most beneficial result that we have before us today.

Some hon. Members: Hear, hear!

Mr. Munro (Hamilton East): To the Prime Minister of Canada (Mr. Trudeau), who led the fight for the Charter of

Rights and Freedoms from the beginning, I think all of us owe a debt of gratitude.

Some hon. Members: Hear, hear!

Mr. Munro (Hamilton East): To the hon. member for Nunatsiaq (Mr. Ittinuar), I think we agree, and so will many of my friends in the New Democratic Party, that he has worked under very difficult circumstances, night and day, with his people to be as constructive as possible to bring this result before us today.

Some hon. Members: Hear, hear!

Mr. Munro (Hamilton East): With some minor deviations, these congratulations would apply to the entire New Democratic Party and their leader who fought during the months for the entrenchment of aboriginal and treaty rights. The Northwest Territories government people, the executive committee and the assembly, have all been most supportive during the past week, and I think they should also take some real credit in this unique achievement.

Perhaps I should now refer to my predecessor minister of Indian affairs who worked so hard all during the constitutional conference to attain this result. I hope that makes the member from Edmonton feel better.

An hon. Member: And the hon. member for Yukon (Mr. Nielsen).

Mr. Munro (Hamilton East): And, of course, the hon. member for the Yukon.

Perhaps I should now refer to my responsibilities for nothern affairs, what this resolution does and what impact it has in that very important area. I want to stress what the earlier and the present version of the resolution has to say about the participation by the territorial government in future constitutional discussions. Territorial representatives will be invited to participate in discussions on any item of the agenda of the conference that directly affects the Yukon and Northwest Territories.

Hon. members will also recall that the resolution has generated some discussion in connection with the application of the Constitution Act to the potential creation of new provinces in the Yukon and the Northwest Territories, or the extension of existing provinces into the two territories. As hon. members are aware, this issue is not a new one. For example, the issue concerns the appropriate role of provincial governments in the consideration of the creation of new provinces and/or in the extension of existing provinces.

The principal question being asked about the Constitution Act by many of the people north of 60 is how it applies to Canada's territories. The question they are asking is why it should be necessary to make the federal power to create new provinces subject to the amending formula. There is also a concern about the mention in the amending formula of the power to extend provincial boundaries northward.

The entire assembly of the Northwest Territories came to Ottawa to express to the Prime Minister, to the Minister of Justice and to myself their serious concern about this matter and other matters. We have had extensive meetings to discuss this matter. The depth of their concern at having provinces involved in the creation of a province to the north, formerly a purely federal responsibility, is well understood. It should be noted, however, that the government leader in the Yukon has indicated a certain degree of approval of the new provision in the belief that it is beneficial to have the provinces take the role in a decision to create provinces in the north.

An hon. Member: Rubbish.

Mr. Munro (Hamilton East): It was a direct quote and I shall be pleased to show my hon. friend what he had to say. Moreover, it has been the federal government's recent practice to consult the provinces when considering the creation of new provinces, in any case. It should be noted that the manner in which the resolution deals with the possible extension of existing provinces to the north provides northerners with extra protection against the eventuality that only the consent of those provinces that extend their boundaries will be necessary.

In any event, in concluding my remarks I should like to note especially that native Canadians are gaining mightily from this recent turn of events. Through their eloquence and their steadfast insistence they have built on a historical federal pledge that goes back to the Royal Proclamation of 1763. In fact, they have turned a legalistic federal obligation for native people into a national confirmation of their special place in the consciousness and fabric of Canada

Quite the contrary to what some would suggest, this is not an erosion of federal obligation. It is an additional confirmation, not once but nine times, that provinces do share in that commitment.

Therefore, with great pleasure, Mr. Speaker, I move, seconded by the hon. member for Abitibi (Mr. Gingras):

• (1700)

That the proposed Constitution Act, 1981 contained in the motion in the name of the Minister of Justice (Government Business, Government Motion No. 56), as printed in the Order Paper of Monday, November 23, 1981, be amended

(a) by adding, immediately after line 19 on page 24 of the Order Paper, the following:

PART II

RIGHTS OF THE ABORIGINAL PEOPLES OF CANADA

Recognition of existing aboriginal and treaty rights

35. (1) The existing aboriginal and treaty rights of the aboriginal peoples of Canada are hereby recognized and affirmed.

Definition of "aboriginal peoples of Canada"

(2) In this Act, "aboriginal peoples of Canada" includes the Indian, Inuit and Métis peoples of Canada.

(b) by renumbering the subsequent parts and clauses accordingly.

Some hon. Members: Hear, hear!

Hon. Warren Allmand (Notre-Dame-de-Grâce-Lachine East): Mr. Speaker, I should like to direct a question to the Minister of Indian Affairs and Northern Development (Mr. Munro). Due to some confusion, I should like to ask the minister for clarification with respect to the word "existing" which has been added to the original Section 34. Does the addition of the word "existing" eliminate the aboriginal rights of Indians or Inuit whose rights at one time were unilaterally extinguished by legislation of a provincial legislature or of the federal Parliament? In other words, if a provincial legislature or the federal Parliament extinguished in a unilateral manner in years past the aboriginal rights of an Indian band or an Inuit community, does it mean that those rights no longer exist and consequently are eliminated from the charter by the addition of that word?

My second question is a related one. Would the Indian bands who were not able to exercise their rights because the white man's world grew up around them—their cities, factories and so on—for example, the Musqueam near Vancouver, lose their rights? Was it considered that the word "existing" takes away those rights because they have not been able to exercise them and cannot exercise them today?

Hon. Jean Chrétien (Minister of Justice and Minister of State for Social Development): Mr. Speaker, I think I should answer the hon. member's question. In fact he is asking for a legal opinion at this time, and I am not about to give one. Today the House of Commons is affirming and recognizing the rights of aboriginal people as they exist. It will be up to the courts to make a legal interpretation of the facts. The rights of natives, in the mind of the government, are the rights which flow from the Royal Proclamation of 1763. It will apply in Canada because in fact we are recognizing the obligation which was vested on the Crown at that time by King George II or III. It is now recognized as such for the first time in the Canadian Constitution. It is an affirmation of the rights of natives.

What the courts will decide later on is how they will implement it in the case where, as the hon. member said, a town or city was constructed on land which would have belonged at one time to the natives. Of course this cannot be redressed by returning that land; in my own judgment I think the Crown will be obliged to offer other lands or financial compensation.

The Acting Speaker (Mr. Blaker): Order, please. I sense that there may be other hon. members who wish to rise on points of order or possibly to continue to ask questions. The House will recognize the custom that hon. members, unless there is objection, can be recognized under the expression "point of order" for that purpose, as long as there is time remaining to the hon. member or minister who had the floor at the time the points of order or questions began.

Mr. Nielsen: Or by unanimous consent.

The Acting Speaker (Mr. Blaker): Or by unanimous consent. In the circumstances, therefore, until I hear otherwise from hon. members I will recognize points of order. The time allotted to the hon. minister was such that his time will expire at approximately 5.15 o'clock. If the Chair hears no objection, points of order in that regard will be recognized.

The hon. member from Notre-Dame-de-Grâce-Lachine East on a fresh point of order.

Mr. Allmand: Mr. Speaker, I have a supplementary question. The minister answered the second part of my question concerning whether the word "existing" would take away rights which could not be exercised because the white man's community grew up around Indian bands. What about the first part of my question? Would those Indians and Inuit lose their rights. Would they be considered non-existent if a provincial legislature or the federal Parliament unilaterally extinguished their rights by legislation? Would it mean that they do not exist in terms of the new addition to Section 34? While I congratulate the minister for bringing back this section we want to make sure what it says before we give our agreement to it.

Mr. Chrétien: Mr. Speaker, I would inform the hon. member that I have checked with the legal adviser of the Crown and with some outside counsel yesterday and this morning. The addition of the word "existing" is absolutely not changing the substance of what was proposed to the House previously. Section 35 or the new resolution has the same meaning, according to the legal advice I received, as the previous Section 34.

Mr. F. Oberle (Prince George-Peace River): Mr. Speaker, I should like to ask the Minister of Indian Affairs and Northern Development (Mr. Munro) or the Minister of Justice (Mr. Chrétien) a question. If the inclusion of the word "existing" really does not change the meaning of Section 35(1) of the resolution, why was it included?

I should also like to follow up on the question asked by the hon. member for Notre-Dame-de-Grâce-Lachine East (Mr. Allmand) but in a more practical sense. Both gentlemen are very much aware of this matter, both having been ministers of Indian affairs. I am referring to the question of the British Columbia cut-off lands where the legislature, with the consent of the people of the province and following the recommendation of a commission, took away certain lands from Indian people. If we are looking at existing rights, these rights no longer exist. Would the minister agree with me on that?

Finally, when we go to former acts of 1763 which mainly dealt with lands, what about native people who aspired to certain cultural rights or rights to self-determination which would require in some sense self-government? These rights do not now exist. Will it rule out any opportunity for native

people to negotiate certain rights such as cultural rights, education and self-government? These are the concerns. As we all know, we are dealing with a very, very serious matter. If so many rights for native people exist now, why are they in the position they are in? Why are they so deprived, if they had so many rights and the government was so compassionate with them in the past? These questions must be answered.

Mr. Chrétien: Mr. Speaker, the hon. member is entering into debate. I should like to answer the first question as to why it is there. It is because some provinces did not want Section 34 at all. I negotiated with them and on Friday some new words were proposed by the Alberta government. I talked with the premier on Sunday and with his ministers on Monday morning. They asked to make what was implicit explicit, the word "existing". If there are rights they must have existed before, so they asked us to make what was implicit explicit. I have checked with lawyers and they said it does not change the substance of what we were doing. In order to have an agreement and not to break the accord, I made that concession being satisfied, as the Minister of Justice, that we were not changing the substance of the proposition.

We are back now and what is great is that nine provinces are part of the accord. They have accepted these words and they are accepted by the House of Commons. It is a great achievement because before we were planning to impose it upon the provinces. Now it is very significant that we have nine provinces which virtually have exactly the same wording in the Canadian Constitution.

In terms of the British Columbia land question, I think the Minister of Indian Affairs and Northern Development (Mr. Munro) could reply, but I could as well because I have been involved in that matter. We have already settled cases involving land which had been cut off from Indians in the past. If the rights were irregularly taken away from the natives, the recognition that their rights flow from the Royal Proclamation will give them a stronger case in court than they had before.

• (1710)

Mr. Cyril Keeper (Winnipeg-St. James): Mr. Speaker, my question is for the Minister of Justice (Mr. Chrétien). Both he and the Minister of Indian Affairs and Northern Development (Mr. Munro) have said quite clearly that the addition of the word "existing" in Section 34 does not change its impact. They have said that they make that assertion based on legal advice. I should like to know whether the minister is going to table those legal opinions so that the native people of this country may know the true meaning of Section 34 as it is now before the House.

Mr. Chrétien: Mr. Speaker, the custom of this House is that when the Minister of Justice stands up in his seat and expresses an opinion like that, he speaks on behalf of the government and the legal advisers of the Crown. I do not have to table a written legal opinion. Most of those legal opinions have been researched over the weekend by different counsel to the government. They were all unanimous.

If the hon. member does not want to vote for aboriginal rights he can vote against the amendment.

Mr. Munro (Hamilton East): Mr. Speaker, referring to the question put by my hon. friend on the cut-off claims, as he may know, there is a sound body of legal opinion that would cast some very real doubt on the legal validity of the action taken by the province at that particular time. The province has met with the federal government and is prepared to make adjustments in terms of settlements combined with this government, putting in its own resources to rectify what is clearly felt to be an injustice of the past.

That situation is based on legal views as to improprieties and disorders in terms of powers exercised by the province in the past. The manner in which that has been settled stands on its own merit and, I believe, has been settled to some degree to the satisfaction of the Indian peoples involved.

As far as the latter part of the hon. member's question is concerned, Mr. Speaker, many of the cultural rights, the rights to self-government and all these matters, have already been assured to the Indian people. They will be the first items on the agenda when we discuss matters at the constitutional conference.

I think the hon. member was privy to the many legal opinions expressed on this historical occasion in this House on what "aboriginal rights" precisely means now that it is entrenched. Suffice to say that the opinion is afforded to the native peoples themselves that it greatly strengthens the basis of their claims to unique status in Canada and strengthens them in their desire and aspirations along the lines the hon. member just referred to.

The Acting Speaker (Mr. Blaker): In this rather unofficial question period, perhaps hon. members might agree if I try to limit the points of order, which is what we are calling them, to a main point of order and a supplementary. I will recognize the hon. member for Winnipeg-St. James.

Mr. Keeper: Mr. Speaker, my supplementary question is for the Minister of Justice. He indicated that it is not customary to table such legal opinions. I would remind him that the action being taken in this House is unprecedented and that what we are really dealing with is a question of trust between peoples. If he were to table those legal opinions on the meaning of Section 34, it would create a climate of trust. People would understand clearly what is proposed for entrenchment in the Constitution. I wonder if the Minister of Justice would not consider this unprecedented action in light of the fact that we are dealing with a historically unique situation.

Mr. Chrétien: Mr. Speaker, I said that I have received this legal opinion. The hon. member has to take my word. We never table legal opinions. In fact, I never received lengthy legal opinions on that; it was just a word that was added at the request of the provinces. I asked my legal advisers if it was changing the meaning of what we were doing and they said it

was not. I did not have piles of documents. It was just one word that was implicit and became explicit.

I have checked that with other legal advisers outside the government in order to satisfy myself. Some were in Toronto and some were in the west. They indicated they came to the same conclusion.

This does not call for great research. We are voting a law of Parliament. It will be for the court to decide if that changes something. I am satisfied that it does not. I am entrenching in the Constitution the concept of aboriginal rights. No one is questioning the wording that we used in the first instance.

In committee we tried to improve many of the words that we are legislating at this time. The wish of this Parliament is to entrench in the Constitution the concept of aboriginal rights. That is clearly stated in the speeches. In the judgment of my legal advisers the words are satisfactory, and I accept that legal opinion which has been sustained by others.

I do not have a document to table. I discussed this with my legal advisers and we even discussed with some lawyers the possibility of what the court might decide on this and that. Regarding the charter, the courts may take some decisions that we will not be completely happy with but we will have the remedy to change that in this House through the amending formula. We will have an amending formula in Canada that will permit this Parliament and the provinces to correct things if eventually the court decides something contrary to the wishes of Parliament.

The Acting Speaker (Mr. Blaker): The hon. member for Algoma (Mr. Foster) on a point of order, followed by the hon. member for Yukon (Mr. Nielsen).

Mr. Maurice Foster (Algoma): Mr. Speaker, I have a question for the Minister of Justice (Mr. Chrétien) which relates to the operative effectiveness of the amendment relating to aboriginal rights when it comes into effect, assuming it is passed by this House and the British House. I ask this question because a number of court cases have been postponed since last July or August, awaiting the outcome of the debate and passage of this constitutional amendment. Could the minister explain if it is just a case of the House adopting the resolution here, it being adopted in the U.K. and then being proclaimed? Does it become effective at that moment or are there other delays which would further postpone these pending court cases?

Mr. Chrétien: Mr. Speaker, it is up to the parties to a case to decide to proceed. I presume we will vote in this House very quickly. The resolution will be passed eventually by England and when it comes back to Canada it will be proclaimed. The aboriginal rights of Canada's first citizens will be in the Canadian Constitution. It will then be for the parties to decide how to use it in front of the court. It will strengthen the case of the natives in front of the Canadian court. We should all be proud of it.

The Acting Speaker (Mr. Blaker): The hon. member for Yukon (Mr. Nielsen) followed by the hon. member for Edmonton East (Mr. Yurko).

Hon. Erik Nielsen (Yukon): Before proceeding to debate, I presume I would need consent, since we have now gone past 5.15 p.m., Mr. Speaker.

The Acting Speaker (Mr. Blaker): I should explain to the hon. member that I was in error earlier. The minister's time will expire at 5.25 p.m. If the House wishes to continue with these so-called points of order, it can do so until 5.25 at which time I will put to the House the question whether there is unanimous consent to proceed.

Mr. Nielsen: I have one brief question which should elicit a very brief answer. The Minister of Justice (Mr. Chrétien) has consulted the nine premiers in order to bring this amendment back into the resolution. That is commendable; that is the way it should be in our system. He has also consulted with the elected representatives of the Northwest Territories legislative assembly. Could I ask if he was thoughtful enough to consult with the elected representatives of the Yukon legislative assembly in order to get their input and their approval of what he is doing today?

Mr. Chrétien: Mr. Speaker, on the question of the accord, it was signed with the nine provinces and the federal government. We have not had to consult anybody else in terms of governments. The Northwest Territories expressed their views to us and we received them. I have not received any request personally. I do not know if the Minister of Indian Affairs and Northern Development received some representations from the Yukon council, but I have not received any communication from them.

The accord which I am respecting at this time is an accord signed and agreed upon by the nine provinces and the federal government on November 5. The agreement of yesterday was made by me with either the premiers or the attorneys general of the different provinces on the phone. That was the only formal communication there was. Their words were good enough for me, and I guess my words were good enough for them.

• (1720)

Mr. Nielsen: Since I did not get a simple answer, may I just put the question abundantly simply and directly in the hope that I will get a "yes" or "no". Did the minister consult with the elected assembly—

Mr. Chrétien: No. I said, "no".

Mr. Nielsen: —in the Yukon?

Mr. Chrétien: I said, no, not personally. They did not call me and I did not call them.

Mr. Munro (Hamilton East): Mr. Speaker, just to get the record straight, I think the hon. member should be aware that

my office did get advice from the Yukon. I will check as to its accuracy, but it was advice that was much appreciated and was that, yes, the leaders of the government of the Yukon were concerned about and supportive of the entrenchment of aboriginal rights since these were dropped from the accord.

Mr. Bill Yurko (Edmonton East): Mr. Speaker, I have a short question for the Minister of Justice (Mr. Chrétien). I know he will not be around to answer it, but I want to pose it so that it is on the record.

First of all, I want to indicate how pleased I am that, indeed, a new accord has been arrived at concerning this matter. My question is this: does the insertion or the inclusion of the word "existing" impose, suggest or include any distinction between surface land rights and mineral rights, which are generally well below the surface, particularly on provincial lands involving the Metis people? Again, I do not expect an answer. I just want to leave the question standing.

Mr. Nielsen: The answer is "no".

Mr. Munro (Hamilton East): Do you want an answer?

Mr. Ray Skelly (Comox-Powell River): Mr. Speaker, my question on this particular matter would arise from remarks made that the possibility of extinguishing or not recognizing rights which have been extinguished by the legislature, I am sure, would be an advantage to the province of British Columbia facing the cut-off problem. The minister said that negotiations were going on between the Government of Canada and the government of the province of British Columbia concerning those cut-off claims. Can the minister clarify whether those have taken a more progressive turn than the discussions which have been dragging on for aeons and whether there is, in fact, some real progress there? If so, could he tell us what it would be?

The second question is, what role did the province of British Columbia play in inserting the word "existing"? I presume that it would benefit more than any other province in terms of the present premier's attitude toward dealing with cut-offs and native people.

Mr. Munro (Hamilton East): Mr. Speaker, with reference to the latter question the hon. member asked, let me tell him what the Minister of Justice has already said. The Minister of Justice was the one who, in his role as the minister responsible for constitutional discussions, was negotiating on the phone and talking to all the provinces with respect to trying to find wording to get the entrenchment of treaty and aboriginal rights back in the package. Therefore, the question as to what role B.C. or any particular province played would have to be directed to him.

Suffice it to say that the legal advice that the Minister of Justice and I have received states that the insertion of "existing" in this particular amendment has an identical effect. There is no change with respect to the effect of this clause with "existing" in it and the old Section 34 which did not have it. I am just saying that I am gratified to have been assured on several occasions during the course of today and late last night that this, indeed, was the legal view that the Minister of Justice received and relayed to me.

Concerning the previous question asked by the hon. member, I can just tell him that where there was past action taken by provincial legislatures of the type he described in terms of extinguishing certain rights, and where this was felt to be improper, either as a result of court action taken or because of legal views which ministers previous to myself obtained from the justice department, as a result of discussions the provinces themselves have come forward with this government to endeavour to set in process a means by which we could receive and obtain a settlement. This, in itself, is indicative of legal views casting some doubt on the propriety of what was done.

The Acting Speaker (Mr. Blaker): Order, please. I see that a considerable number of hon. members are still rising.

[*Translation*]

I believe the hon. member for Joliette (Mr. La Salle) is rising to be recognized by the Speaker, either to take part in the debate or perhaps on a point of order.

Mr. La Salle: I am rising to take part in the debate, Mr. Speaker.

The Acting Speaker (Mr. Blaker): So it is to take part in the debate—

[*English*]

It is 5.25 p.m. I now have to ask whether there is unanimous consent that questions be permitted of the Minister of Indian Affairs and Northern Development (Mr. Munro). One presumes that the time limit on it would be left to the discretion of the Chair, if that is agreeable.

Some hon. Members: Agreed.

The Acting Speaker (Mr. Blaker): Therefore, the question is whether or not there is unanimous consent to continue a form of questions and answers with the minister.

Some hon. Members: Agreed.

Mr. Nielsen: No. We have now had 25 minutes of questions and answers, and the hon. member for Joliette (Mr. La Salle) would like to have his entire speech on the record before we break for dinner.

The Acting Speaker (Mr. Blaker): There is not unanimous consent.

An hon. Member: The Tories said no.

The Acting Speaker (Mr. Blaker): The Chair has been handed a motion put forth by the hon. Minister for Indian Affairs and Northern Development. That motion is under consideration at the moment, but, subject to the caveat of a later decision respecting its admissibility, the Chair will indicate that debate is acceptable on the motion. Therefore, I do

not think it is necessary to read it at the moment, and I will recognize the hon. member for Joliette (Mr. La Salle) once I have given notice of the questions to be raised tonight on the adjournment motion at ten o'clock.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Blaker): It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Central Nova (Mr. MacKay)—Actions of Czechoslovak government affecting Canadian citizens. (b) Procedures surrounding issuance of Czechoslovakian passports; the hon. member for Mississauga North (Mr. Fisher)—Airports—Contract to operate duty free stores at Toronto International Airport; and the hon. member for Saskatoon West (Mr. Hnatyshyn)—Western Development Fund—Compensation payments to grain growers for embargo on shipments to Russia. (b) Consultation with provincial governments.

GOVERNMENT ORDERS

[*Translation*]

THE CONSTITUTION

RESOLUTION RESPECTING THE CONSTITUTION ACT, 1981

The House resumed consideration of the motion of Mr. Chrétien on the Constitution of Canada, as amended.

Hon. Roch La Salle (Joliette): Mr. Speaker, the last time I had the privilege of speaking on this very important subject in the House was last March. I remember clearly that I asked Parliament to be careful, to take its time, and I see that today we are still discussing the same subject—not for long, probably—but I feel that once more I shall have to caution the members of this House to beware and take the time to make sure that all Canadians agree to these so very important amendments.

Thank you, Mr. Speaker, for allowing me to speak about a matter that is very dear to my heart. I am both happy and sad to talk about the constitutional draft. I am happy because, like most Quebecers, I thought that at last we would succeed in achieving constitutional renewal in a way that would be satisfactory to all Canadians and Quebecers, and I am sad because

the resolution ignores the eminently relevant recommendations made by the Pepin-Robarts commission on what has been commonly called the Canadian reality. In doing so, I feel the resolution has betrayed the history of Canada and has refused to recognize the Canadian duality and Quebec's distinctive position among the other provinces. A reality that has in fact been recognized and endorsed by federalists who want federalism to have respect for the partners concerned. I have no intention of giving government members a course in political science, but I think a country's basic laws, in other words, its constitution, should truly and accurately reflect every aspect of that country, while respecting and entrenching in its clauses the inalienable rights and freedoms of all citizens. When the Fathers of Confederation after much pondering gave us the British North America Act in 1867, they had broadly defined the basic principles that were to lay the foundation of our country, namely, duality and the sharing of powers between two levels of government. That is what has always been referred to as Canadian federalism. A few years ago, a famous Canadian said, and I quote:

> Federalism is by its very essence a compromise and a pact. It is a compromise in the sense that when national consensus on *all* things is not desirable or cannot readily obtain, the area of consensus is reduced in order that consensus on *some* things be reached. It is a pact or quasi-treaty in the sense that the terms of that compromise cannot be changed unilaterally.

That famous Canadian was none other than the Prime Minister of Canada (Mr. Trudeau). In his book "Federalism and the French Canadians", the same Prime Minister wrote, and I quote:

> The centralists are the ones who should be in a hurry to change the Constitution.

● (1730)

In any case, in his book on federalism, the Prime Minister did not seem to have boundless confidence in constitutional reforms that are hastily construed in order to solve our problems. In my opinion, he wrote, it would be an illusion to look for (a solution) in sweeping constitutional changes.

As for the Charter of Rights, Mr. Speaker, which the present Prime Minister sees as having exceptional merits, at the time he did not look on it as a panacea. Legal guarantees by themselves are far too fragile to ensure the survival of the French language and culture. And he added the following sentence which today both he and the members of his party could usefully ponder over.

> People who think such guarantees are enough may be the most dangerous enemies of the traditions we wish to safeguard and perpetuate.

Mr. Speaker, that is exactly what we are discussing today, some 114 years after our first Constitution Act. Can the terms of an agreement be changed without the consent of one of the parties that was already recognized at the time as one of the two founding peoples of this country? It is important that all Canadians know that Quebecers, as much as the government they freely elected on April 13 last, object to a breach of

agreement that by a stroke of the pen deprives them of any possibility of a compensating formula, that would allow the federal government to impinge on a jurisdiction that heretofore had been the exclusive domain of the provinces ever since 1867.

We, members from Quebec—and I say we because we sit on both sides of this House, although not many on this side—may have something in common all the same. And I would like to remind the Quebecers opposite that under the governments of Maurice Duplessis, Jean Lesage, Daniel Johnson, Jean-Jacques Bertrand as well as Robert Bourassa, which was not so long ago, we all supported those Quebec premiers in difficult periods and for different reasons, those premiers who steadfastly defended the educational rights of Quebecers against any invasion by the federal government. All those premiers, Mr. Speaker, swore that never would the federal government infringe on that basic right of Quebecers. As much for historical and geographical as for linguistic and cultural reasons, those premiers realized they represented the people in Quebec. All members from Quebec who sit opposite today supported, encouraged and applauded as much as I did, those federalist governments of the province of Quebec, whatever their political affiliations. Those Union Nationale and Liberal governments in Quebec always had a strong sense of belonging to the Quebec identity, and they never strayed from it.

I believed, and probably all those hon. members believed in such a philosophy, and I still do. How can we now betray what we so steadfastly defended all our lives, Mr. Speaker? I, for one, have not changed, I have respected and still respect my Quebec origin and that philosophy that was not incompatible with the national objective pursued by every federal government.

How can one imagine today, Mr. Speaker, that the objections of the present Quebec government are sacrilegious, since we supported the previous premiers for identical reasons, and we even commended them for their courage in defending steadfastly the future and the emancipation of the people in Quebec?

If I may, I would like to recall that when I first came to Ottawa in 1968, I was warned that I would first have to meet the challenge of convincing my English-speaking colleagues in the House. I accepted the responsibility to defend my province honestly and to convince my colleagues that they should ensure the fundamental rights of my province. I believed then and I still believe in a federalism respectful of its partners. What I find embarrassing today, Mr. Speaker, is that, to meet my basic responsibilities, I have to plead with my French-speaking colleagues about the issue now before the House in front of my colleagues from the other provinces. I had never imagined that this could be possible, especially since the 74 Liberal members from Quebec could have avoided putting their province in this strait-jacket. Where are they now, these proud representatives of the people of Quebec in Ottawa? This is the question now being asked by thousands of Quebecers.

If I may, I would like to take this opportunity to congratulate my leader who showed his open-mindedness and his statesmanship during this debate last Friday when he made an original and positive contribution in his capacity as Leader of the Progressive Conservative Party. All the government members should read and re-read this speech and many of them should reflect on their own position instead of trying to ridicule the comments made by my leader last Friday in this House. The speech made by the leader of our party is a model of clarity and understanding during this troubled period of our history, Mr. Speaker. The Progressive Conservative Party has moved three amendments of which two have already been accepted unanimously, and I have every reason to believe that the Canadian people will be grateful for the leadership shown not only by my leader, but also by my party concerning the rights of women and the native people.

I believe that the third amendment will be agreeable to both the government and the people of Quebec. Last April, the Quebec government relinquished its veto right in exchange for a reasonable guarantee of financial compensation if ever they decided to opt out of a constitutional amendment. We want to grant this full financial compensation. The day after the conference, Mr. Ryan, the leader of the Liberal Party in Quebec, also stated that he would not have signed the accord. Even Mr. Bourassa, the former premier of Quebec, stated a few days ago during an open-line program that he would not have signed the accord either given the conditions that prevailed then. Most of the responsible political observers in Quebec have come to the same conclusion. They say that the government's resolution proposal is even worse than the status quo. It is clearly a step backwards for Quebec generally. The federal government cannot claim the right to rewrite our Constitution without the consent of one of the two founding peoples. This situation is highly explosive, Mr. Speaker. This government should relinquish its arrogant and cynical position. Unfortunately, for several members of this House, Canada is simply Ottawa. They have forgotten that negotiating in good faith is the basis of federalism. I very much fear that their centralizing approach to federalism and narrow view of the future have made them so blind that they cannot see that they are dividing rather than uniting Canadians. They are so blind that they refuse to respect the Canadian fact. I also want to take this opportunity, Mr. Speaker, to appeal to the premiers to ponder a little over the implication of the isolation of Quebec. And since any appeal to the Prime Minister of Canada would fall on deaf ears, I wonder if they could not convince the Prime Minister of Canada to shift his position, explore possible solutions and try to find one that would be acceptable for the people of Quebec so that Quebec would agree to sign this resolution before it is sent to London.

• (1740)

I seldom have the opportunity to urge the members of another party to reconsider what they are doing, Mr. Speaker, but I urge them just the same to dare state the views of hundreds of thousands of their fellow-citizens who elected them to represent them with dignity rather than betray them. They can imagine what they will find to say to justify themselves when they face a swarm of furious electors blaming them for their irresponsibility, their utter lack of respectability and dignity. It is completely shocking and distressing, Mr. Speaker, to find that their sense of belonging is no longer consistent with that of their electors. They are the only ones in great enough numbers to prevent something irrevocable from happening. Instead of forcing on Quebec a plan whose terms it cannot decently accept at present, why does the federal government not allow tempers to cool off, why does it not calm down and make a final attempt to conclude an honourable agreement with and for Quebec instead of driving the present government to something irrevocable and running the risk—

Mr. Tousignant: I rise on a point of order, Mr. Speaker.

The Acting Speaker (Mr. Blaker): The hon. member for Témiscamingue (Mr. Tousignant) on a point of order.

Mr. Tousignant: Could the hon. member for Joliette (Mr. La Salle) tell us what Mr. Lévesque would be ready to accept?

The Acting Speaker (Mr. Blaker): I am sorry, but without the consent of the hon. member for Joliette, the Chair cannot accept that intervention as a point of order. The hon. member for Joliette.

Mr. La Salle: Thank you, Mr. Speaker. The Prime Minister of Canada, in the speech he made in Quebec City, said that even if his proposal were passed without Quebec's consent, it will remain on the table for a future federalist government in Quebec. If he is consistent, Mr. Speaker, why not wait for that future federalist government in Quebec, since he has pointed out that the federal government will maintain its position until a government agrees to it? We would then see whether or not a federalist government in Quebec would accept the current proposal. A little more time will not matter much in the history of Canada but, at least in the meantime, Quebecers, even the most nationalist amongst them, will have time to reflect on such constitutional compromise as might prevent breaking the federal tie. If the federal government persists in its present approach, I fear it may lead the country headlong toward a catastrophe of such magnitude that the word "Canada" might within a generation or two become a mere historical footnote.

The Quebec government is being blamed for having given up its traditional veto right as provided for in the amending formula contained in the April agreement; if, in the eyes of the Minister of Justice, giving it up is such an infamy, why then, on his own authority, does he not reinstate it on behalf of Quebec which he claims to represent even better than the government of that province itself? The minister knows that the loss of the veto right was conditional upon fiscal compensation. Everyone knows that the notorious veto right is a cause of tension and disagreement, that it is bound to disappear sooner or later. In fact, if the veto right is so essential to Quebec, as the Minister of Justice maintains, why then did he not use it during the night of November 5 and demand that the approval of Quebec be an essential condition of the agreement? How could I possibly support the present resolution when it grants one province the right to opt out of a constitutional amendment without financial compensation, except in the case of linguistic and cultural programs? To begin with, where do the boundaries lie between cultural, social and economic matters? In fact, do they not overlap? Where are the limits of each to be drawn? Those are some of the problems the courts will eventually have to solve. But one point is more important still. Since when can one be penalized for exercising a right the Constitution has recognized for 114 years? The right to opt out with financial compensation, the terms of which would be agreed upon by the parties, must not be weakened. Otherwise, no province, and not only Quebec, would ever be able to develop integrated policies either in the area of social security or even its own economy planning. The Prime Minister acts as though he were afraid some rich province might, at the expense of the poorer ones, opt out of a new federal program and use the accrued funds to serve its own selfish ends. The Prime Minsiter does not seem to trust the fair play and common sense of his provincial counterparts. Why does he not think of the unfair burden he would impose on a poor province which, for whatever reason, could not accept the new constitutional amendment?

The right to opt out without full financial compensation and *non obstante* clauses is an illusion which may lead us into centralization and deny the provinces their right to act in their own jurisdiction in their people's best interests. When, on the morning of November 5, the Prime Minister simply removed the compensatory clause, his intention was clearly to put Quebec in chains. The time may come, before long, when other provinces may find it difficult to bear the iron collar they have themselves agreed to wear. As to the manpower mobility clause, it does not take into sufficient account Quebec's social and cultural structure. It seems to me that it should be possible to carry out a more in-depth analysis of its potential effects on provincial economies, and find ways to give local workers better protection against a possible massive invasion from other provinces. I suggest that the provinces' manpower training programs and local manpower preference policies should not be jeopardized, as this would prevent local workers from finding employment or developing new skills while workers from other provinces would take over their jobs.

The Acting Speaker (Mr. Blaker): The hon. member for Manicouagan (Mr. Maltais) rises on a point of order.

Mr. Maltais: Mr. Speaker, with respect to the statements by the hon. member for Joliette (Mr. La Salle) concerning mobility, perhaps I should again mention Mr. Brian Mulroney who took advantage of a mobility program to help the Iron Ore Company workers he had laid off.

The Acting Speaker (Mr. Blaker): Order, please. I have the same difficulty I experienced a moment earlier. This is not a point of order. If the hon. member for Manicouagan wants to debate a point with the hon. member, that is something different, but certainly not a point of order. Is the hon. member rising on a point of order?

Mr. Maltais: When the hon. member for Joliette states that mobility—

The Acting Speaker (Mr. Blaker): Order, please. I can quite understand that the hon. member for Manicouagan would like to ask a question. The hon. member for Joliette has the floor.

Mr. La Salle: If the hon. member for Manicouagan (Mr. Maltais) has anything to say, he will have an opportunity to do so. We still have two or three days left for this debate. When he talks about lost jobs, I would say that I recall when I arrived here in 1968 there were 300,000 people unemployed but we now have 1,300,000 of them and the Liberal government was in office during all that time except for eight months. I therefore leave the hon. member for Manicouagan to reflect upon the administration of the last 14 years. Here again, Mr. Speaker, any hurrying up can only be dangerous for the unity of the country and the legitimate aspirations of Quebecers who are anxious to find a job in their own province. Knowing their openmindedness, I do not believe that the people's protest—because as we all know in Quebec the government is not the only one who has voiced objections—stems from the fear of being invaded by English-speaking workers. There has to be a limit to what you can try to get people to believe.

Mr. Speaker, I have said how I feel about the government's constitutional project. I do not like the fact that it was hastily thrown together over Quebec's objections and without due regard for the basic duality of our country. Nor do I like the haste with which the government wants to force it upon us, and I strongly urge the government to continue negotiations with Quebec which might lead to a satisfactory arrangement for both governments. Today, of course, the Liberal majority may very well flash a smile of victory, and insult and deride the Quebec government, but the people of Quebec will have the final say. This government's moment of triumph might be very short indeed. Let's not forget that Canada cannot exist without Quebec, the worthy representative of the French-speaking founders of this country. Hastily sending a document to London over the head of Quebec may very well cause a ground swell which is likely to destroy any hope for a renewal of Canadian federalism, as envisaged by the Pepin-Robarts Task Force.

• (1750)

I find it rather strange in fact that we never hear of that report now that one of the co-chairmen of that commission sits in the House. Has he forgotten about it? That is impossible. Would the members from Quebec have forgotten this near masterpiece of understanding and the seeds of harmony that it contained? I think it would have been wise to fouder somewhat longer upon the very important recommendations of that report. I believe that study reflected, like no other study before it, a Canadian entity and contained recommendations relevant to any constitutional reform. I trust, Mr. Speaker, that the Quebec membership, especially those who sit in cabinet—and I clearly remember that some cabinet members proudly spoke up for the right, for instance, of air traffic controllers to use French—in particular of the minister now responsible for Quebec and the Minister of Regional Economic Expansion (Mr. De Bané)—

Miss Bégin: Bravo!

Mr. La Salle: —who would wave the Canadian flag while speaking up for the air traffic controllers' right to use French. So perhaps I could call on those two members of cabinet today and ask them to pressure the government into continuing and increasing its efforts—

Mr. Rossi: What about Stewart!

Mr. La Salle: —so that Quebec can be party to this consensus and can sign this accord. And I warn all those who are listening to us today not to think that we are going to solve the problem and achieve unity or national harmony without Quebec. Those who wish to ignore Quebec's importance and special status within Canada can expect rough times ahead. I do trust that all hon. members from Quebec will seriously consider the matter. Not only can I speak to other members from Quebec, but I can do so in great seriousness because I know that they realize the big gap which results from Quebec's exclusion from this accord.

An hon. Member: What about Stewart!

Mr. La Salle: I know that they realize how big this gap is and I hope that as a result of these comments and speeches—and I call upon them to try to speed up the process—Quebec can be party to this accord. I also hope that no resolution will be sent to London without Quebec because otherwise the problem will remain unsolved. That is why I am urging French-speaking members to make their English-speaking colleagues truly aware of the situation. We know that opinions are split. Quebecers, like many other Canadians, are sick and tired of hearing about constitutional reform, yet this remains

an important and crucial matter. I do hope that my appeal will not be in vain, because I do so with the best intentions in the world, Mr. Speaker, despite the rumbles from the other side. It is not the first time I have heard that. But I do think that I can convince members opposite and I am doing so with the best intentions and the best will in the world. And I would be the happiest man in the world, Mr. Speaker, if Quebec succeeded in presenting valid arguments and in having sufficiently successful negotiations to sign this agreement so that we could speak of a true federalism which respects now, and will respect in the future, the ten provinces which make up this country.

Mr. Speaker, the resolution was to be approved without including the rights which would show respect for the identity of the Quebec people. I suggest that our children and their children remembering the heritage we have left them, which was wanting in so many ways, will perhaps be ashamed to be Canadian. However there is still time to go back to the basic principles of federalism. There is still time to do so, Mr. Speaker! I have heard such stupid statements for the past 14 years in this regard, Mr. Speaker. However, I am patient and I still believe that most members of this House are responsible people, that there is still time to go back to basic principles and to find solutions which will make anyone proud to sing: "*O Canada, terre de nos aïeux . . . Ta valeur, de foi trempée, protégera nos foyers et nos droits*", including those of Quebec!

The Acting Speaker (Mr. Blaker): The hon. member for Manicouagan (Mr. Maltais) on a point of order.

Mr. Maltais: Would the hon. member for Joliette accept a few questions following the statements he just made?

Mr. La Salle: No! My colleague has more interesting things to say.

[*English*]

The Acting Speaker (Mr. Blaker): The Chair will recognize the Minister of National Health and Welfare (Miss Bégin) in a moment. Earlier I indicated that the admissibility of the motion put by the Minister of Indian Affairs and Northern Development (Mr. Munro) would be considered. That has been done, and it is the decision of the Chair that his motion is admissible. The motion having been found to be in order, debate is accordingly in order.

The Chair has recognized the Minister of National Health and Welfare who, with the consent of hon. members, may wish to call it six o'clock.

[*Translation*]

Hon. Monique Bégin (Minister of National Health and Welfare): Mr. Speaker, indeed I would like to do like several short-sighted members and not see the time on the clock, but I want first to address the hon. member for Joliette who has just spoken some rather cutting words in the House, and who said hardly five minutes ago, and I will quote him to the best of my ability: "Let's not forget that Canada cannot exist without Quebec."

I think this is indeed true. As a Quebecer, I know full well, like all my colleagues in this House, that it is true. However, I would rather he had added the other part of the premise without which the country cannot exist. He took great care to omit other part of the premise, but it would have been more honest to say that, on the other hand, Quebec has no future outside Canada. This is the great difference that throws a new light on this debate.

The Acting Speaker (Mr. Blaker): The hon. member for Joliette on a point of order.

Mr. La Salle: I would like to remind the hon. minister that I indeed said in my speech that I still believe in a federalism respectful of its partners, that is the provinces. This is what I actually said, as will be seen in tomorrow's *Hansard*. I still believe in a federalism respectful of its provincial partners.

Miss Bégin: I call it six o'clock Mr. Speaker, and will proceed when the sitting resumes at eight o'clock.

[*English*]

The Acting Speaker (Mr. Blaker): It being six o'clock, I do now leave the chair until eight o'clock this evening.

At 5.58 p.m. the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

The Acting Speaker (Mr. Blaker): Order, please. When the House rose at six o'clock, the Minister of National Health and Welfare (Miss Bégin) had the floor.

[*Translation*]

Miss Bégin: Mr. Speaker, Saturday morning when I was preparing my speech for the House, some Jehovah's Witnesses rang my doorbell, to talk about their faith and leave some religious pamphlets. It made me think of Duplessis and the unfair lawsuits he brought against them, at a time when I was a young teacher in one of the provinces, my own province which was then Catholic, monolithic and intolerant of the beliefs of others. I was reminded of the padlock law, the Roncarelli case and also the landmark decision handed down by Justice Ivan Rand. All this was only 25 years ago. In looking back on this arduous struggle for basic freedoms, freedom of expression and freedom of religion, my intention is not to pass judgment on my own province, certainly not.

[*English*]

Everywhere in Canada, in small communities and in large cities, and even in big government, we have been guilty of

attacking or limiting freedoms and rights. History is full of examples.

May I be permitted, in lieu of illustrations, simply to read the chapter headings in Mr. Justice Thomas Berger's newly released book "Fragile Freedoms: Human Rights and Dissent in Canada". They read like this: The Acadians: Expulsion and Return; Louis Riel and the New Nation; Laurier and the Separate Schools; The Banished Canadians: Mackenzie King and the Japanese Canadians; The Communist Party and the Limits of Dissent; Jehovah's Witnesses: Church, State and Religious Dissent; October 1970; the Nishga Indians and Aboriginal Rights.

We can all remember many other cases where society as a whole would not leave any space for a weaker group or individual that became threatening just because he or she was different.

Nothing illustrates better the deeply rooted intolerance that all of us must keep fighting than the childhood souvenir in NDG Montreal where we landed at the end of the war when my family immigrated to Canada in the heart of the winter. We used to wear knee high heavy wool stockings sent to us by my Belgian grandmother instead of the long, ugly, drab Canadian stockings of the little Canadian girls. During the night charitable societies, which I will not name, used to leave boxes of Canadian clothes, and insulting letters to my parents because allegedly they were not raising us properly. That was done simply because we were different.

That is only a minuscule example. I could give numerous examples of the discrimination, often subtle, suffered by all those who came from elsewhere or who were born of families who had been here for centuries but were different. We were threatening to the surrounding milieu, its values, beliefs and lifestyles. However, because there have always been voices to raise doubts and push for safeguards, slowly but constantly our institutions have adapted to protect the members of the very distinct societies which form Canada today.

[*Translation*]

All these events involving minorities may seem very remote from us, from the majority of Quebecers and Canadians. These people may look to us as society's dropouts and they may irritate us because they are different. However, it is exactly because they are not like most of us that we must protect their rights, and paradoxically, by being able to protect their rights we are guaranteeing our integrity and democracy. Some day, somewhere, we shall be the ones who are different and who want to see our rights and freedoms protected. I would like to end with these words by John F. Kennedy:

[*English*]

"When the rights of one man are diminished, the rights of every man are threatened".

• (2010)

[*Translation*]

In the view of many the Canadian people actually enjoy a good many rights and all those constitutional conferences are a waste of time. You often hear people saying that the charter is no use at all. It is true that in Canada, we have enjoyed basic freedoms and equal rights in varying degrees for decades now. It is a fact that the charter cannot "give" us our rights: these are granted by society. But by entrenching them in the constitution, the charter will protect them forever, because nothing is more fragile than a right and nothing is more vulnerable than freedom. In the section of the newspapers dealing with international news, numerous are the cases of intolerance and oppression. For instance, the problem of refugees and migrants which has now become worldwide, should make us appreciate how lucky we are in Canada. Therefore, Mr. Speaker, I can say that I am truly happy today to see our rights as citizens, rights that are new and not so new, that were more or less guaranteed and familiar and not so familiar, entrenched in the Constitution of Canada.

In endless discussions on the Constitution which we have with one another, at least in Quebec at the present time, there is always some relative, friend or neighbour who will come out with the statement that it was unnecessary to go to all this trouble because at any rate we have had these rights for a long time, and we are not getting anything more. I would like to say to these people who usually, in the same breath, accuse the federal government of not preserving symbols that are dear to us Quebecers that the most important aspect of the rights now entrenched in the Constitution is their importance as symbols and how they are perceived by people. I would say, walk down Jean-Talon in little Italy in the east end of Montreal or go to the Haitian fruit or fish market in St. Leonard or attend a meeting of Moroccan Jews at Côte-des-Neiges or talk to Ukrainian senior citizens in Rosemont, there you will sense the immense pride and the feeling of security the Charter of Rights has given these new Canadians, the fact that these rights apply to them and to their family forever, and that discrimination against them, in any form, because they speak Creole, because they are black or because they came from another country and are different from the majority, will no longer be tolerated.

Of course everything is not perfect, and it is with perhaps a broken heart the other night that I had to say to a group of Canadians of Italian descent in my constituency that we could not give them back the right to choose the language in which their children will be educated. And I attempted once more to explain the point of view of one group to another group, the feelings of Quebecers who see their survival threatened by immigrants who have no difficulty speaking French anyway, but cannot get to learn English without schools, and who do not want to deprive their children from opportunities in the continent they chose. Of course, the provincial government

could easily decide to make excellent English courses compulsory in every school, but that is another matter. Once more I tried to explain to them that even though we are culturally very healthy even though Quebec society has reached a critical point where its survival has not been endangered for quite some time, the feeling of insecurity still remains. That is why the entire population in Quebec wanted to give themselves the tools to ensure that the main centre of French culture in America will have all the odds in its favour. And this is indeed recognized by our new Constitution.

People in Quebec are often concerned right now. They ask us: "Did you deprive us of our Bill 101? "No, we decided to respect Bill 101 in order to maintain social peace in Quebec. All the provisions of the existing Bill 101—the predominantly French schools, French as a working language, posting in French, business in French, etc., all this remains. We propose one amendment only, in fact we change one single word, and anyway all Quebecers recognize this as simple justice. We have the Canada clause instead of the Quebec clause. But what does this mean? It means that we want to give English-speaking Canadians from other provinces the right to go on sending their children to English schools in Quebec. Will the opposite be possible? Yes, French-speaking Quebecers who go and work outside Quebec where there is a sufficient number of people to warrant French schools will be given that right throughout Canada by the Constitution.

All nine provinces signed that agreement and they cannot even temporarily opt out, because by passing Bill 101, Quebec chose a kind of community, likewise the Canada clause means a choice of community. As long as Quebecers have decided to be part of a larger unit, as long as their country is Canada, it logically follows that they can enjoy every benefit such as mobility anywhere in Canada. Being part of Canada means, for example, that their young people can go and look for a job in any province, gain some experience for a few years and return to Quebec without being penalized.

If we take, for example, the Common Market, which the péquistes like to refer to, we see that the mobility of goods and individuals is totally unhampered among member countries and is benefical to everyone. The Canada clause merely constitutionalizes the benefits Quebecers can enjoy as Canadians. For example, no thought has been given during the four or five past years to some 300,000 Quebecers, many of them French-speaking, who went to work outside their native province, most likely in Alberta.

Are we to infer from the temporary migration of Quebecers to areas of economic growth that Canadians from other provinces, mostly English-speaking Canadians, will come and steal our jobs in James Bay, in construction projects, in the Bombardier plants or the F-18 program? However weird that assumption, the fact is that the Parti Québécois has deluded some people into believing that the Constitution would invalidate all proficiency cards delivered by corporations and trades and that Quebec would be invaded by outsiders. This is false. All provincial regulations, all established procedures will still be enforced by the same people. It is spelled out in the Constitution. Any Canadian can earn his living in the province of his choice, provided that he abide by its laws and customs. For example, if that province is suffering from too high a level of unemployment, it will be entitled, Quebec included, to carry out special programs to protect and encourage its own underprivileged groups.

Now, what about the million francophones outside Quebec, to whom we attach so little importance, amongst Quebecers? Where do they fit into all this? Our brothers and sisters, from Acadia, Ontario, British Columbia, which we were the ones to discover? Those francophones outside Quebec, those million francophones are the very foundation of the communities scattered about in English Canada that will enable families from Quebec who are transferred by their companies to Vancouver, Edmonton, Calgary, or Toronto to get the benefit of French schooling for their children. In fact, for the very first time, those francophones see their right to French education becoming an inalienable right: thus, they will no longer be treated as hostages by their politicians. Of course, this is just a beginning, but I hope that in the very near future Ontario will recognize the rights of its French minority in its legislative assembly, its courts, its administrative agencies, rights which are already beginning to be recognized in practice.

• (2020)

[*English*]

Let me note how gauche and damaging to understanding and respect for us all, French-speaking and English-speaking Canadians, were the letters and statements released by Premier Davis this weekend. It is unacceptable for political leaders to speak out of both sides of their mouths on such sensitive issues.

Some hon. Members: Hear, hear!

[*Translation*]

Miss Bégin: I believe that the final issue which concerns Quebecers is whether their future will be protected when other amendments are made to the Constitution. Speaking about the new rules of the game to amend the Constitution leads us of course to talk about the issue of the veto right. The Quebec Premier himself, Mr. Lévesque, had agreed to an amending formula without any veto right for Quebec when he signed the St. Andrews declaration on April 16, 1981. As a Quebecer, I believe that Mr. Lévesque should never have relinquished Quebec's veto right as proposed by Prime Minister Trudeau in the Victoria Formula in 1971. However, if we look at this issue soberly and ask ourselves when the veto right is essential, we have to conclude that it is critical when it concerns the special position of Quebec, what makes Quebec different, namely, its language and its culture. However, with the amendment wrested by the 74 members of the Quebec caucus in Ottawa on

behalf of those who elected them, Quebec will now be able to receive if it so desires full fiscal or financial compensation for any future constitutional amendment concerning educational or cultural affairs it is not interested in implementing, which means that Quebec would remain autonomous in these key areas.

Up to this point, I have spoken at length about the Constitution as a whole. I have spoken about the Constitution as it concerns Quebecers, and in this regard, I can assure my fellow-Quebecers who four times in a row have elected me to this House that, like dozens of us, I shall always be able to confirm that the Constitution is something good and that it takes away none of Quebec's powers while guaranteeing enough rights for any one of us to say out loud and without any hesitation: "Yes, it was worth it!"

Some hon. Members: Hear, hear!

Miss Bégin: Before closing, Mr. Speaker, I also believe that it may be just as important to ask ourselves this question: Why should Mrs. Langelier or Mr. Désir or Mr. Vaccaro be interested in the Constitution? Is there a reasonable chance that some aspect of the Constitution will affect them directly at some time in their life? The answer is yes. In the long list of individual equal rights now being entrenched in the Constitution and which it is of course impossible to summarize here, the following examples may be mentioned: women will be able to claim not only equal pay for equal work, but also equal rights to pension and fringe benefits anywhere in Canada and whoever their employer is.

A handicapped person will never again be denied employment simply because he or she is in a wheelchair, walks with difficulty or does not communicate the way most people do. That reminds me of someone who came to see my colleague, the hon. member for Hochelaga-Maisonneuve (Mr. Joyal), someone who was slightly mentally retarded and who wanted a daycare job with a school board. She has just been told: Don't try to get a job, go on welfare instead. That is the kind of situation which will no longer be tolerated because that is outright discrimination.

Or again take the case of a man or a woman, say 51 years of age, who will no longer be legally turned down for employment when applying for employment with a company or at our own manpower centres anywhere in Canada simply because he or she is too old. That type of discrimination on the part of employers will henceforth be banned under the Constitution. That provision goes even further because any employer, including the federal or provincial governments, may implement special employment programs giving priority to such people over other applicants so as to redress past injustices. Similarly, wherever he or she may work, an employee will no longer be subject to be laid off simply because he or she is 58, 60 or 65 years old. Age discrimination at the time of retirement will no longer be allowed in Canada. Of course, I have not mentioned the case of native women who will be able to recover their Indian status they had forsaken by marrying a non-Indian and return to the reserve with their children.

[*English*]

I have directed most of my comments to the people of the Montreal riding of Saint-Léonard-Anjou who elected me to represent them in the House of Commons. But I think the House will agree that the people of Saint-Léonard-Anjou have many characteristics in common with Canadians from coast to coast. They or their ancestors came from Italy, Greece, Portugal, France and England, to name only a few of their countries of origin. Some came 300 years ago, some came three years ago. Today they are Canadians and Quebecers, they are proud to be both. No one has asked them to choose between one or the other; both belong to them. They are proud, just as those from other provinces in this country are proud of their provinces and of the Canada we all share. In a sense, my constituency is a little Canada. But there are those in my constituency, as there are in all parts of Canada, who are asking, "Why all this fuss over the Constitution?" A constitution is the very fibre which holds the nation together.

[*Translation*]

I should like to borrow from my colleague the hon. member for Laurier (Mr. Berger) a wonderful thought which I have found in a text he has just devoted to the Canadian Constitution. I quote:

> Each time the rights of a Canadian are infringed upon, the social fiber of the whole nation deteriorates a little.

[*English*]

A constitution defines the responsibilities of governments, it guarantees the rights of individuals, and it establishes the ground rules for nationhood. By having our own Constitution after 114 years, Canadians together will be able to define the kind of Canada we want. We will become masters of our own destiny.

[*Translation*]

We owe this to the Prime Minister of Canada (Mr. Trudeau) and to the Minister of Justice (Mr. Chrétien) who have put all their heart, intelligence and determination into something which I dare call an act of civilization. We owe this also to their officials, to the new Minister of State who is sitting beside me this evening, and to a number of provincial representatives who had faith in something. Now we owe this directly to the Canadian people and especially to the Indians and Inuit. We owe this finally to the Canadian women, and I know that I will not surprise anyone when I say that there are now Mothers of Confederation. The hon. minister from Nickel Belt (Mrs. Erola) is one of them. Our children will appreciate this.

But there remains a sour note, and it is Mr. Lévesque's refusal to negotiate, when Quebecers insist the discussions be resumed and a possible agreement be sought. I could not conclude, therefore, other than by saying that as a native Quebecer and a Quebecer for ever, I hope the Quebec government will agree to represent our interests and reopen the dialogue. And as they are currently saying in their own advertising campaign: "Now is the time to talk!".

• (2030)

[*English*]

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, I welcome the opportunity to participate in this historic debate this evening on a resolution that will have a profound effect on shaping this nation's written Constitution. It is a resolution which will affect the very nature of confederation as we have known it.

By way of preface to my remarks I want to hark back to the proceedings this afternoon in order to underline some of the points that I want to make tonight. The Minister of Indian Affairs and Northern Development (Mr. Munro) rose in his place and presented an amendment to the resolution which will now include the so-called existing rights of the aboriginal peoples of this country. Following the introduction of the amendment, a number of questions were posed in a sort of mini-question period by members on both sides of the House with respect to the meaning and the full extent of the motion. To put the response of the Minister of Indian Affairs and Northern Development and the Minister of Justice (Mr. Chrétien) in simple terms, it was to the effect that this would give full protection to the aboriginal peoples of our country; that we were not to be concerned with the terminology because the Minister of Justice had telephoned a number of lawyers on the weekend and had received legal opinions to the effect that the rights of the aboriginal peoples would be protected by the wording of the amendment.

When the minister was not prepared to explain the legal basis upon which he was proceeding but simply said that he had advice to that effect, I asked myself if this was not a crazy way to build a constitution.

I am one who has been disturbed by the nature of the so-called constitutional renewal process undertaken by this government. The entire country has been ordered out on a forced march designed to achieve the Prime Minister's (Mr. Trudeau) personal objectives. It is a march that has to date imposed great costs on the country, and the journey is by no means over.

The Prime Minister's obsession with deadlines and with hasty progress in this whole matter, concerns me greatly. Lord Randolph Churchill once described Gladstone as "an old man in a hurry" in relation to his tactics in trying to ram through a proposal for home rule for Ireland. We have our own "old man in a hurry" in this country—the right hon. gentleman who now occupies the chair of Prime Minister.

A constitution or a constitutional document is not just any other statute. It is the embodiment of a fundamental consensus on the rules under which a country should govern itself. That consensus cannot be created by a decreee from on high or by the stroke of a pen; it must be developed through long and careful debate at all levels of the national community. It is certainly not something that magically appears at the appropriate spot in a script written in the Prime Minister's office.

Senator Forsey, with his characteristic flair, has said that a constitution is:

> Like a marriage—in the words of the Anglican prayer book, "Not by any to be enterprised, nor taken in hand, inadvertently, lightly or wantonly . . . but reverently, discreetly, advisedly, soberly and in the fear of God."

This government has clearly not given credence to Prime Minister Pearson's advice that "the most delicate of all question" should be the way in which the balance within a federal system is altered. Rather than attempt to encourage a full and wide-ranging debate on the proposals before us, the government and the Prime Minister have systematically attempted to minimize public debate and ram their proposals through Parliament as quickly as possible.

The litany of their sins is well known to us all—a $6 million advertising campaign to set the stage; the use of closure to force the resolution to committee; a refusal to allow the committee to travel; fierce opposition to television and radio coverage of the committee proceedings; an initial reporting deadline that would have effectively made a complete farce of the hearings; an extended reporting date that still obliged the committee to work at a back-breaking pace and that gave little time for sober reflection; severe limitation on the number of expert witnesses who were allowed to speak to the committee; a series of "less than candid" representations as to the nature of the British commitments, and, after the historic Supreme Court decision, a first ministers' conference that was faced with too much haste and too many deadlines, designing a document that will shape the lives of Canadians for years to come.

We have seen the same government that so self-righteously refused to barter fish for rights, demonstrating an incredible capacity to play politics with the basic values of our society. In order to gain support for its initiative, the government initially refused to consider extending institutional bilingualism to Ontario. It did a cynical flip-flop on the entrenchment of property rights in an attempt to keep Premier Blakeney onside. It bought federal NDP support with promises of expanded resource jurisdiction for the provinces. It has played politics with the women's rights and aboriginal issues as well. The government negligently refused to take the time to hammer together a full resolution on these issues—so basic and so important to those involved—but is quick to point the finger at the provinces when critics of the accord of November 5 point out that these aspects are missing. Rather than put it together through reasonable negotiation with time for sober reflection, the government deals in timetables measured in hours and in accusation against any province or individual who fails to understand or agree completely.

The same can be said for the handling of negotiations with Quebec. That is a worrisome matter to all in the House, or it should be. A hasty negotiation purportedly leaves the Quebec government in isolation. Whether that is in fact the case is not as important as how the government's handling of Quebec is perceived by the people of that province. The Prime Minister,

in order to placate Quebec, begins to make his piecemeal compromise-a-day offerings. Negotiations with a province that has such complex concerns and problems could surely have been handled on a different timetable, rather than through the overnight cloak and dagger one-upmanship, engaged in by this government. The Prime Minister is in such a great hurry that he is prepared to do anything to speed his mission.

The government's approach to constitutional revision and the strategies and tactics it is using to gain its objective carry with them a number of serious consequences and repercussions. I am afraid that they will be around to plague and haunt Canadians long after this government and this Prime Minister have passed from the scene.

First of all, the government's initiative has, without question, caused very, very serious divisions in our country. These can only be partially healed by the Accord of November 5 and the subsequent revision. The lingering suspicions and concerns of the federal government will remain in the hearts and minds of Canadians long after this document returns from London. The government especially runs the risk of providing to the Party Québécois' ammunition it could never have assembled itself.

History may view this period as a critical turning point in our search for unity—let us hope people are able to view it as a time when unity was renewed and not irreparably fractured.

A second consequence of the government's strategy is simply this: I am afraid that we will discover that the Charter of Rights and Freedoms is something less than flawless. In its frantic work, the joint committee adopted 67 amendments—an incredible number for such a relatively short resolution.

We have not had time to fully explore all of the ramifications of the words before us or to investigate alternative phrasing and modifications in the content. The committee heard from few experts and there has simply not been a wide-ranging or sophisticated public debate about the nuts and bolts of the package. This is doubly true now that the accord is to be pushed through the House without committee examination.

● (2040)

What is the full consequence and effect of the revised accord, now arrived at, with respect to aboriginal rights? How will the provisions of Clauses 41(1)(e) and (f), dealing with the extension of provincial boundaries into the territories and the establishment of new provinces, affect that enormous and important part of our country north of the 60th parallel? These and many other questions cry out for answers. Many have commented on the increasingly complex nature of the document and, in particular, the application of the notwithstanding or opting-out clause. In my submission, such a massive change, be it good or bad, needs the thorough consideration of the House, and indeed consideration in committee.

It is not possible to write constitutions to fit a predetermined deadline. I am prepared to wager that one day the government, and indeed all of us, will wish that we had heeded the words of Thomas Jefferson, a truly great constitutional draftsman, when he said to George Washington that delay is preferable to error.

There is a third point I wish to make concerning the government's approach to this matter. I am concerned that, in its passion to sell a charter of rights and freedoms to Canadians, the government has created misapprehensions and misunderstandings about the effect of an entrenched charter. Much as I favour an entrenched bill of rights, I do not see it as a great and shining panacea for the problems of civil rights and freedoms in this or any other country. I was interested in listening to the Minister of National Health and Welfare (Miss Bégin) when she listed the great and glorious things which would automatically flow by the mere passage of this particular resolution. We must be careful that we do not lull the public into a state of complacency by speaking of the concept of a charter in terms that are too glorifying or too glowing.

There are several factors which must be kept in mind. We must not delude oursleves concerning the power of the courts to act contrary to the sentiments of the general public. At some point, a decree from the courts will be simply nullified by the force of public opposition. For example, in the United States, there was a violent reaction to the bussing orders which followed *Brown v. the Board of Education.* Some American jurisdictions have flatly refused to comply with the school prayer decision. The courts simply cannot move too far from the general views and values of the public.

Even though the Prime Minister appears not to like it, at least the notwithstanding clause in the resolution recognizes the reality that the courts are not necessarily more in tune with public opinion and morals than are legislative bodies. At least in this country we will have a mechanism for adjusting court decisions which fall out of step with public opinion. Some may view this as the charter's downfall; but the argument is that, particularly in the early years of a charter and because of our federal nature, we need a route which will allow Parliament and the provinces to deal with judicial pronouncements without having to resort to a constitutional amendment.

My point is that, important as the entrenched bill of rights is, let us not woo the Canadian people into believing that it is the final solution. The price of freedom is vigilance by individual citizens. We do our country a great disservice by failing to stress that particular responsibility.

My fourth concern is one relating to the role of the judiciary in interpreting the new charter. We have a charter which will affect the lives of all Canadians. A good deal of authority has now been handed to the courts, authority to determine the application and parameter of our rights. It will take several years of litigation before the words of the charter will have full discussion and are given a certain meaning. We have, however, a bench that is trained in the common law practice of relying on precedent to reach a decision. Now, however, judges will be called upon to rule on every aspect of social and political life in a sweeping fashion. They will be called upon to make these vast pronouncements with major sociological and political implications.

Canadians will be faced with a judiciary which will be obliged to exercise a quasi-legislative role in interpreting the new Charter of Rights and Freedoms. We will soon realize that the composition of the courts and the political and social beliefs of our judges will be an extremely important factor in the determination of the rights and prerogatives of citizens and institutions in the country. Indeed, the power of appointment of judges from time to time will be of immense importance in the ultimate determination and interpretation of fundamental rights in Canada.

My final concern is of a technical nature. I would ask the government to consider for a moment an argument put forward by several legal scholars concerning the possible legislative frailty of the resolution. It is argued that this legislation could still be challenged in the Supreme Court of Canada as it is not truly an amendment to the British North America Acts, 1867 to 1930 but, rather, a brand new act. As we are aware, the original British North America Act contained no provision for amendment. Convention after 1895 dictated that change to the Constitution would be made by the British parliament to Her Majesty on a joint resolution of the Canadian House of Commons and the Senate. In 1931, the British parliament, by the Statute of Westminster, relinquished its power to legislate for Canada, with certain specific exceptions. First of all, under Section 7(1) it could legislate with respect to the repeal, amendment or alteration of the British North America Acts, 1867 to 1930; second, by Section 4, the British parliament could legislate for Canada if requested and consented to by Canada.

The first problem is that this may not be an amendment or alteration required by the Statute of Westminster. When one looks at the form which the resolution takes, it is clear that this is a brand new enactment. It is not styled as an amendment to the specific acts of 1867 to 1930 but, rather, styled as a new act with incidental amendments to those acts. The Supreme Court of Canada could conceivably strike most of the legislation on this basis. The government would then say, if this be the case, that it could still rely on Section 4, which allows Britain to legislate for Canada if the legislation is requested and consented to by the Canadian Parliament.

The problem here is that if the legislation falls under Section 4 rather than Section 7(1), it could be repealed by Parliament or the legislatures in those areas where it has legislative competence. Therefore, depending on the interpretation given to those sections, portions of the Constitution could conceivably be struck out as being outside the legislative competence of the British parliament as it affects Canada or, if saved by Section 4, be then subject to repeal by Parliament or the legislatures. Without doubt, this would be just the tool Mr. Lévesque is seeking. Therefore, in all seriousness, I caution the government and ask it to give serious consideration to this question of the form of the resolution.

I have listened to many hon. members speak on the government side, and particularly the Minister of National Health and Welfare. I have listened to a long list of wrongs which will, in fact, be cured by this new Constitution and this new charter. I note that in each of these instances, reference was made to many of the contraventions of human rights and civil liberties which have taken place in governments other than the federal government. However, I now wish to deal with another aspect of the way in which the government has conducted itself during the past few months.

Miss Bégin: You didn't listen.

Mr. Hnatyshyn: I listened and I heard—

Miss Bégin: Read the speech tomorrow.

Mr. Hnatyshyn: —only the most casual reference to government in a general sense. I listened with great interest and I will read with great interest the minister's remarks.

During these past few months and years, we have seen the government championing civil rights and personal freedoms. I have sat in the House and watched hon. members on the other side, particularly the Prime Minister, label opponents of this particular resolution as people who hate Liberals more than they love freedom. The imposition of a charter of rights on the provinces has somehow become a crusade against infidels who cannot be trusted to protect freedom within their own boundaries and within their own spheres or jurisdictions.

• (2050)

However, it must be pointed out that while the government may paint itself lily white, we on this side of the House know, as do many, many Canadians, that its closets are crammed with skeletons. The government is guilty of both non-feasance and malfeasance in dealing with the issue of human rights. Although the government and the Prime Minister have been in a position for years to do a great many of the things they now push so urgently and so righteously, they have done nothing.

Let me point out some examples of what I mean. The Liberals have been in a position for over a decade to strengthen Mr. Diefenbaker's Bill of Rights. A few simple amendments by ordinary statute could have given it some real teeth and done much to halt the retreat from the *Drybones* decision. The government has done absolutely nothing in that regard.

We should note too that the greatest violation of civil liberties in recent times took place at the instigation of the Liberal government during the October crisis of 1970. The same Prime Minister who invoked the War Measures Act, now styles himself as a white knight, duty bound to impose a charter on the provinces. The government's own backyard is not a very happy sight.

The provisions of the Indian Act, which discriminate blatantly on the basis of sex by providing that an Indian woman who marries a white man loses her Indian status, has been allowed to stand by the government. A simple amendment by ordinary statute could have corrected this great injustice, but nothing was done. Indeed, the government sent its own lawyers to the Supreme Court in 1973 to argue that this outrageous provision should not be struck down by the court.

The list of similar situations is a long one. Let me just point out a couple of examples. In a decision called *Hogan v. the Queen* in 1974 the Supreme Court ruled that evidence of a breathalyser test obtained in violation of an accused's right to counsel was admissible at trial. In a similar vein, Canadian courts have consistently held that illegally obtained evidence is admissible. Although the government has for many years been able to provide that such evidence should be inadmissible, it has done nothing. Although a simple amendment to the Criminal Code or the Canada Evidence Act could have given judges the power to exclude illegally obtained evidence, and although such changes have been called for from many quarters, it has only been in the last few months that our government has become the champion of that concept.

The government has been neglectful of the needs of the handicapped. Amendments should be introduced by the government to the human rights code in keeping with the recommendations of the special committee on the disabled and the handicapped. Such legislation would be met with enormous goodwill on this side of the House. Some provisions with respect to the Canadian Human Rights Act were promised in the Speech from the Throne some two years ago. The government House leader has been advised of the willingness on our part to let this legislation be brought forward and dealt with expeditiously, yet no legislation has been brought forward, and the ones to suffer for it are the thousands of mentally and physically handicapped Canadians. In this international year of the handicapped person, the government sits mute with regard to this particular legislation, legislation which would be tangible evidence of its commitment to human rights.

Another example, one that is currently in the news, and one which I find particularly difficult to understand, is that of the current Solicitor General (Mr. Kaplan) day in and day out advocating the lifting of the moratorium on the issuance of writs of assistance. How can a government minister who advocates this drastic measure stand behind a resolution calling for the right of everyone to be secure from unreasonable search or seizure?

These writs have been banned in Britain and they have been prohibited in the United States of America by the bill of rights. An officer having such a writ in his possession may barge into any home he believes may contain prohibited goods. No justification is required by any judge, and no special permission is required under this writ. It is an ongoing writ without any time limitation. I have submitted to this House and to the government on different occasions that this is totally undesirable, and the practice should be banned.

Another example of current government thinking with respect to fundamental principles of justice in this country is that the government has now issued an emergency planning order providing the various ministries with authority to plan for the placing of virtually every facet of the public and private sector at their disposal should an emergency occur. However, the ministers make all their plans without one piece of enabling legislation. They make these plans not for a situation in which war may be declared but, indeed, in cases of environmental tragedies, disasters or situations where there may be civil disobedience in certain areas of our country, something short of an actual declaration of war. The powers they are giving themselves under this order are far-reaching, and there is no legislation which in fact allows them to bring forward this particular order.

The government will say it will not do anything without legislation. I say to you, Mr. Speaker, if you believe that, you should read the remarks of the government House leader, the President of the Privy Council (Mr. Pinard), in the June-September Emergency Planning Digest where he suggests that the government could and would act extra-legally; that is, outside the law, should Parliament be dissolved and an emergency arise. This is a very telling comment on the government's understanding of the rule of law.

One might also comment on the government's management of the RCMP. A significant amount of evidence exists that would suggest the government was aware of illegal acts engaged in by the RCMP for a decade and chose to do nothing about it. The public of this country is proud of the RCMP, and with just reason, but if this had occurred in the United States, I suggest it would be tantamount to a Watergate scandal. Not only has the government participated in the clear violation of the law in this respect, it has made every effort to roadblock any investigation of the part it played, and this from the self-righteous Prime Minister and a succession of solicitors general making their contributions as they went through a revolving door.

I would like to make a comment on my party's contribution to this constitutional process. We stand as a party firmly committed to the entrenchment of rights and freedoms in a Constitution made in Canada, arrived at through consensus by Canada and the provinces. The Prime Minister enjoys accusing this party of failing to support the substantive aspects of the former resolution. We in fact worked as hard as any party to see that the resolution was as beneficial and as workable as possible. We have, however, steadfastly opposed the unilateral actions of the Prime Minister and his associates in the New Democratic Party. We have opposed the process, and it gives me a great deal of pride to look at what has been accomplished because of our efforts to have the Supreme Courts of Canada rule on the constitutionality of the resolution before final debate.

We now have a made-in-Canada Constitution, albeit without the support, as I mentioned before, of the Parti Québécois government. This has been a negotiated settlement, and we in this country have been relieved of watching the spectacle of provinces having to go to the parliament in London on their knees begging for relief.

The absence of the government of Quebec from the accord is a matter that is worrisome, as I have mentioned, to all Canadians. There is still much work to be done. My party's amendment to this resolution is indicative of our determination to address the concerns of the people of Quebec.

• (2100)

This historic compromise would never have taken place without pressure being put on the government by this party, particularly through the leadership of the Leader of the Opposition (Mr. Clark) and of my seatmate, the hon. member for Provencher (Mr. Epp). It gave to the Supreme Court as well the opportunity to instruct the government in its responsibilities and gave the provinces a solid foot in the door to force the government to compromise, to slow down our Prime Minister in his determination to push this matter through according to his own personal timetable.

It will be viewed historically as a turning point in this constitutional debate. I am confident that we will view the new amending formula as more in keeping with the federal nature of the country.

Now, Mr. Speaker, the proposal for the referendum contained in the original resolution is not included. That proposal was received with great resentment in the part of Canada from which I come, namely, western Canada. The veto powers given to certain provinces have been removed. I suggest that this is an advance and an improvement on our constitutional amending process. These improvements would never have seen the light of day were it not for the persistence and effective action of my party.

In short, let me say that when the provinces were finally given an opportunity to be heard and when the Supreme Court finally told the Prime Minister and the federal government that they must now listen, an agreement was reached. Our party has been the party of compromise. We now invite the Prime Minister to finish the job properly—not necessarily by moving with undue haste. We have accomplished very much by the delay we have been able to bring about but let us not now spoil the great effort. Let us move carefully and deliberately to ensure that this charter, this revised Constitution, truly reflects the aspirations of all Canadians. Let us be able to stand up with our colleagues from coast to coast with a Constitution in which we will all feel great pride in saying in our own language, "I am Canadian".

Mr. Jim Fulton (Skeena): As I begin, Mr. Speaker, I would like to say how puzzled I am at the members who have spoken since the Minister of Indian Affairs and Northern Development (Mr. Munro) made his speech. In fact, at this point we are debating an amendment that affects about one in 20 Canadians.

I would like to start my speech by moving an amendment. I move:

That the amendment of the Minister of Indian Affairs and Northern Development be amended by deleting the word "existing".

Before submitting that amendment, I want to mention a second concern. I would like to read the formal motion in English and in French. I believe the law officers and the Clerk at the Table will confirm my understanding from a brief reading of the amendment put forward today by the Minister of Indian Affairs and Northern Development, that there has been a serious deletion in the French version. The formal Notice of Motion read:

Moved that the motion of the Minister of Justice of November 18, 1981, that an address to be presented to Her Majesty the Queen be amended in schedule B of the measure to be laid before the Parliament of the United Kingdom by deleting the word "existing" from the amendment now before the House so the clause would read:

"Part 1.1. Rights of the aboriginal peoples of Canada. 34.1(1) The aboriginal and treaty rights of the aboriginal peoples of Canada are hereby recognized and affirmed. (2) In this Act, "aboriginal peoples of Canada" includes the Indian, Inuit and Métis peoples of Canada".

My concern, Mr. Speaker—and I am sure the Clerk will be able to check this in terms of the translation, which was not done by the minister today is that it should read as follows, and I will dispose of the first part. It says in French:

[*Translation*]

Partie II Droits des peuples autochtones du Canada. 34(1); Les droits aborigènes ou issus de traités des peuples autochtones du Canada sont par les présentes reconnus et confirmés.

[*English*]

It is in that section, I believe, that the amendment tabled in French by the Minister of Indian Affairs and Northern Development was incorrect.

[*Translation*]

The Minister of Justice (Mr. Chrétien) deserves our warmest congratulations for this last effort, as well as for his leading role in the initial agreement concluded with the nine provinces.

[*English*]

Before getting into the main text of my speech, I would like to give the history of Section 34. I do not think that too many of us remember that in October of last year, when the resolution was put before the House, there was no positive statement in the resolution in relation to aboriginal and treaty rights, and no amendments were proposed by the Tories at the committee stage. In fact, the precise Section 34 that is before the House was drafted by this party in direct consultation with the native people of Canada. This was after a fierce battle by the aboriginal peoples, a battle that found a firm ally in this party, and a firm and trustworthy spokesman during those negotiations in the leader of this party. After unanimous all-party support on January 30 for inclusion of the motion moved by my colleague for Nunatsiaq (Mr. Ittinuar), it remained in place until November 5, when it was ditched by the Prime Minister (Mr. Trudeau) and by some of the first ministers at that famous meeting. In the following days, this party made it clear where we stood on aboriginal and treaty rights. We made it clear that we would not support the Constitution if there were not inclusion and entrenchment of aboriginal and treaty rights.

Various comments have been made since the statement made by the Minister of Justice in the House last night. The addition of that word has been described by one famous Canadian as "quintessentially a Liberal compromise. The changes to Section 34 add unnecessary ambiguity to it. It symbolically impairs the section." I think that is most crucial because the native people have been treacherously dealt with,

not only in terms of the original resolution with no positive statement, but on November 5 when the first ministers never said publicly, either in their own provinces or when they came to Ottawa, that it was their intention to dump it. Nor was it ever indicated by the government or any of its officials before the consensus was signed that that treacherous deal had been struck.

Much praise should be directed at the aboriginal people of Canada tonight for their continued fight as a result of which Section 34 is back in its present state. I am hopeful that in the coming days all members of the House will reflect on the original January 30 all-party unanimous agreement to the wording and will agree to delete a word that is, at best, ambiguous.

Another important point, Mr. Speaker, is that the addition of that word affects the mind set of government and bureaucrats about the need to move in good faith to settle land claims, not only in British Columbia and north of 60 in the Yukon and the Northwest Territories but throughout the country.

Another famous Canadian described the addition of that word as "a clever attempt to fight the groundswell support that native Canadians were finding in every household across the country."

This section introduces weasel words. One weasel word, to be exact, is that word "existing". There could have been a resounding affirmation in the House, supported across the country, because nine months had passed and native people in every village and town, urban and rural area of the country had had an opportunity to look at it and think about it. To add this word now is extremely unfair.

A few days ago six provinces—and if one is to include British Columbia, seven provinces—supported the old wording of Section 34. Again, that is something we need to think about in the House. We had unanimous all-party support here and in the Senate and we had seven provinces on side just a few days ago. It is the insistence of Alberta, and possibly that of some other provinces, along with the federal Liberals, that moved that small opposing opinion against the growing tide of public, aboriginal and provincial support.

The agreement struck last night to force the word "existing" into Section 34 was done without consultation with the aboriginal peoples of Canada, despite the fact that ever since unanimous all-party acceptance on January 30 of this year it has been the wording considered and studied by those people all over Canada.

My colleagues and I deeply wish to see the principle of consent included but have found no support for the principle from any member on the government side and from few members of the Conservative Party. If they are ready to support it now, let us hear from them.

I have consulted 20 lawyers in Canada over the past 18 hours since the Minister of Justice included the word "existing" in Section 34. The majority of those lawyers feel that the word does not damage the legal thrust of the section but that it taints it. However, all agree that the section is better without the word.

The Minister of Justice said this afternoon that it makes absolutely no difference to the legal meaning. Well, Mr. Speaker, this is a Constitution. If concerns are raised—and we all know that a principle of law is that the word speaks when it is written in the law—how can "existing" be implicit in the original and then, on addition, be no more than explicit?

• (2110)

Never in my life have I heard weaker constitutional arguments than those I heard today from the Minister of Indian Affairs and Northern Development and the Minister of Justice (Mr. Chrétien). If I cannot find a lawyer who thinks the word "existing" improves the section, where has the government found these masterminds who say that adding words to a constitution has no effect? Common sense and a sense of decency requires removal of the word "existing". It is at once superfluous and ambiguous.

I would like to move briefly into the history of how the resolution came to be here and my concerns about it, and also I should like to give some direct, factual information which I think all members of the House should consider in the next few days before we vote on the subamendment and the amendment itself so that we do find unanimity again on removing that word. The process which has brought us to this final stage of debate can at best be described as inappropriate. In its rush to meet some unknown deadline, the government has forced upon the House and the nation a resolution which will forever bear the savage tatters of first ministers' consensus. I must say that the presence of a native or a woman at the final phase of negotiation might have saved this debate. Better yet, if Parliament had truly been a leader, consensus would have been built at the family, community and regional levels. No Supreme Court ruling would have been required, no late night bargaining over *non obstante* clause, no last minute ditching of equality rights for male and female persons and no last minute treachery by 11 men whose smiling, outward reassurance put the knife to over one million aboriginal Canadians.

Rather than a process of nation building in which all political parties played a role of listening, understanding and developing a document in the Canadian spirit, we have before us a much watered down charter, but we have consensus; we have an amending formula with provincial equality, but without Quebec; and somehow we have a government still champing at the bit to get it through and to take all the credit while passing all the blame and then blasting the Canadian public with a multimillion dollar advertising campaign to prove it was all worth while. I must say that if time, care and more love for this nation, this land and all its occupants had been the operating principles rather than political expediency, we would have before us a social blueprint for the future. Instead, we have a debt list of the showdown at the Conference Centre corral.

So much for the problems of process. Let me deal with substance. We recognize, as do all members of the House, that

the search of the Prime Minister (Mr. Trudeau) for support from the premiers went too far in arriving at an accord that denied rights to the majority of Canadians, to women, rights returned with the Section 28 paramountcy a few hours earlier today, and to Indian, Inuit and Métis people, soon to be entrenched, minus one single word, I trust, with the unanimous all-party support that we witnessed on January 30 of this year, and I would dearly like to see that repeated in a couple of days.

Previous speakers have dwelt on the contents, ranging from patriation, the amending formula and the charter to equalization and provincial control of resources, but let me deal with the need to entrench the recognition and affirmation of aboriginal and treaty rights. My colleagues, the hon. member for New Westminster-Coquitlam (Miss Jewett) and the hon. member for Vancouver East (Mrs. Mitchell), among others, have dealt very well with the issue of equality.

It is now some 500 years since Columbus set foot in North America, heralding the voluntary flood of Europeans to this land. It is my intention in the next few minutes to put on the record a brief glimpse of the events which have brought us to today.

As Mr. Justice Thomas Berger said in his recent book, "Fragile Freedoms", the issue of aboriginal rights is the oldest question of human rights in Canada. It may be hard for some members of the House to understand—perhaps impossible for some premiers—nevertheless, some of us in this debate are not promoting a radically new idea, a changed idea or a partisan formulation. We are addressing the living and historical reality of the aboriginal peoples of Canada. The thrust of the amendment to recognize and affirm aboriginal rights goes far beyond any political ideology presently in existence in Canada or, I might say, in most areas of the House. The time has come for their view of their laws, land title and tradition to be entrenched in the foundation laws of this nation. The cultural, social and economic expression of aboriginal rights through self-determination, through cultural activities and so forth will surpass, in my view, what we can even imagine today. The northwest coast Indians' culture, for example, is often compared with the cultures of ancient Greece and Rome. The robust art and tradition of the plains and northern and eastern Canadian native people are similarly renowned around the world in history and at present. We shall not forget, in our support for this historic move to entrench, that the development and re-emergence of native culture and institutions through the affirmation of rights to renewable and non-renewable resources will simultaneously bring about the decline and extinction of such bureaucratic institutions as the Department of Indian Affairs and Northern Development. Such institutions, which were created to manage native people for the convenience of the French, then for the convenience of the English and now of Canadian systems, will no longer be allowed.

Let me now take the House on a speedy but important tour of the legal history which has delivered to Parliament historic propriety in entrenching aboriginal rights forever into the Constitution. The Europeans, who voluntarily came to Canada, asserted their sovereignty over the land based on the principle of discovery. It was not a principle of law but one of supposed moral and cultural superiority, which is something we should bear in mind in this debate. This "moral superiority" was consolidated in European minds solely by superior arms. However, Europeans did acknowledge throughout the past four centuries that Canada's Indians retained a legal interest in the land because they had been the original occupants. The interest was and is known as aboriginal or Indian title.

I think we should reflect in this debate on the fact that many of our forefathers—many of my forefathers—recognized the rights of aboriginal people, recognized their title to the land and recognized their rights to all kinds of traditions in various areas of Canada, and it is only in this last century that we have seen the terror and terrible repression which has been used against the aboriginal peoples of Canada.

In setting the record straight I think it is important that there be unanimity on the exclusion of the word "existing" because on January 30 there was all-party support. The Minister of Justice does not have a single argument that holds water as to why it should be there, and I think all members of the House should think about it carefully and not vote like a bunch of seals because some deal was made over the telephone. We should make it clear to the native people of Canada that they can trust, not just a few members of the House, but Parliament, and that they can trust and be part of Canadian institutions.

Some hon. Members: Hear, hear!

Mr. Fulton: So, in most of North America title was acquired from the Indian people by way of treaties or, in the United States where negotiations did not work or broke down, by war. The legal question of aboriginal property rights was not faced by the United States Supreme Court until 1955. The policy of treaties was established in Canada and enshrined by our forefathers in the Royal Proclamation of 1763.

By 1850, treaties had brought about the surrender of almost the whole of eastern Canada and were fast being made across the prairies. By 1885, Canada had its first major legal battle of aboriginal title, the now famous St. Catharines milling case. In that case the counsel for the province of Ontario argued: "We say that there is no Indian title at law or in equity. The claim of the Indians is simply moral and no more."

The St. Catharines milling case dealt with Treaty 3, the Lake of the Woods area in Ontario and, although related to aboriginal title, Indian people were never directly represented in the litigation. The real conflicting parties in the case were the interests sought by the governments of Canada and Ontario. Strangely enough, it was the logging company that argued that Canadian policy had always recognized Indian land rights. That is something we in the House should remember in this historic debate to set Section 34 as it should be. It was a logging company 100 years ago that fought for the

rights of the aboriginal people, not Parliament and not the government of Ontario.

This strange Supreme Court of Canada case was followed, in 1888, by a ruling of the Judicial Committee of the Privy Council, the then highest court of appeal in Canada, that Indians had property rights in their lands prior to the signing of Treaty 3 in 1873. This affirmed, for the first time in Canadian law the legal, real property character of the Indian usufructuary title.

Judicial opinion has wandered somewhat since then. For example, in 1934 the Ontario Supreme Court said that the Crown could do whatever it wished, even with reserve land, whereas the exchequer court, as recently as in 1964, said in essence that Indian band land is the same as title in fee simple.

The great Métis leader, Louis Riel, twice elected to the Parliament of Canada, was hanged in 1885 for his views on aboriginal rights in western Canada.

• (2120)

By the turn of the century, politicians were fast moving to remove the rights of native people through abuses of human rights. In British Columbia, for example, my home province, in 1895 the right to vote was taken away from every Indian person in the province and was not returned until 1949. In the same year, 1895, the federal Department of Fisheries restricted the Indian food fishery. By 1915, Indian hunting and trapping was brought under strict provincial regulation, these actions at that time being taken against the population which was reduced from 50,000 in 1850 to 10,000 in 1900.

Ravaged by smallpox, forced on to small reserves and excluded from wage labour, it was illegal for Indian people in British Columbia to work and be paid for it. They were excluded from the fishery. They were excluded from their traditional hunting and guiding territories. They were excluded from forest activities and then they were put on reserves. Members of the House in the past had, and even today have, the audacity and pomposity to stand in the House and say that native people should not have land and both renewable and non-renewable resources returned to them. It is an atrocity.

It was not until 1960, in fact the 1963 federal election, less than 20 years ago, that native Canadians could first vote. We are just at the threshold of leaving the darkest of dark ages in the history of human rights violations by the Government of Canada done upon the indigenous people of this land. The big breakthrough came in 1969 when the Nishga people of the Nass Valley in British Columbia finally forced the government of British Columbia into court to have the question of aboriginal title adjudicated.

By this time it had been 50 years since the federal government had moved to help the Indian people in any way on the question of aboriginal claims in British Columbia. The first stage of the famous Nishga case was presided over by Mr. Justice Gould who held that if there was aboriginal title, it had been extinguished before the colonies had entered confederation.

The case next went to the B.C. Court of Appeal where it was held that the law had never acknowledged any such concept as aboriginal title. The court seemed stuck on the prejudices that native people could have one, a sophisticated legal system, two, with communal property but no recorded system of title deeds, three, because there was no written language. It is unbelievable.

As Mr. Justice Thomas Berger said recently about the assumptions "white society" placed upon native culture, "they are not locked into the past: we are exlcuding them from the present". It is something we all need to reflect on. We should take ourselves outside of the petty politics that has damaged and tainted Section 34. We as members of the House should reflect on the history of the native people and the need, after the treachery of November 5 and the treacherous acts we have seen since then, to demonstrate to the native people that they can in fact trust the institution of Parliament.

During 1969 while the Nishga case was proceeding through the courts, the Prime Minister spoke on the subject in Vancouver. On August 8 he said the following:

> Our answer is no. We can't recognize aboriginal rights because no society can be built on historical might-have-beens.

That statement may well have been in the Prime Minister's mind on November 5, 1981, and prejudiced his ability to stand firm on the unanimous view of this Parliament.

It was at this point, only 12 years ago, that the issue came to a temporary standstill in Canadian history. Neither the courts nor the federal government would acknowledge aboriginal claims. There was no one 12 years ago in this nation standing by the native people of this country.

An argument that was used at that time has been used in the House and by various premiers. Why should there be special status for native people, they say. Why should they not be assimilated like the Irish, Poles or Swedes? Section 91(24) of the British North America Act, written 114 years ago by our forefathers, gave exclusive legislative jurisdiction over the affairs of native people to Parliament to be safeguarded. They never were. Far more important, those who came to Canada by choice set up to a largely parallel culture, not an assimilated culture of the Indian people, something that was not true of the Indian, Inuit and Métis people. Until very recent times they remained primarily a people outside of the general system and general institutions of Canada.

In 1969 the then minister of Indian affairs, now Minister of Justice, refused to intervene in the Nishga case because of the federal policy at that time to refuse recognition of aboriginal rights.

In November, 1971, the historic Nishga case was heard here in Ottawa for five days before seven judges of the Supreme Court of Canada. It was a split decision, with Mr. Justice Emmett Hall speaking for the three judges in favour. He found that the Nishgas had aboriginal title, that it had never been lawfully extinguished and that this title could still be asserted. That was probably one of the most important legal decisions ever made in Canadian history.

The crucial point, however, is that all six judges who participated in the ruling and addressed the question supported the view that English law in force in British Columbia when colonizations began had recognized Indian title to the land. That is a very important point. A long time ago our forefathers recognized aboriginal title to the land, yet here we sit in this quagmire with provincial and federal politicians idly jerking at the levers.

It is important that we start to move in settling the question of aboriginal rights in this country, not only on tradition, culture and adoption and so on, but to give to the native people a resource base so that they can be equal with all Canadians. That is my intention in speaking here tonight.

Canada's highest court unequivocally affirmed the concept of aboriginal title in February, 1973. Parliament at last began to move after 100 years. On August 8, 1973, the federal government announced the intention to settle native land claims in all parts of Canada where no treaties had yet been made. Thus the federal government has agreed to settle aboriginal claims. The crucial context in which we are about to act as Parliament is to obligate the provinces, by the constitutional entrenchment of recognition and affirmation of aboriginal rights, to negotiate a settlement of native claims. To all of those people who work for the federal and provincial governments, and to all of those elected members, the message that Parliament is giving is that it is time to settle aboriginal claims. It is not time to quibble about little bits of wording here and there. The message that the native people have passed to this chamber and that this chamber is passing to the Canadian public is that Parliament is going to move and, if necessary, we will help to move those provinces that are intransigent on this issue and get a settlement of aboriginal claims in Canada.

The crucial context in which we are about to act as Parliament is, as I said earlier, by way of the constitutional entrenchment of recognition and affirmation of aboroginal rights to negotiate in good faith a settlement of native claims. It is a sad reflection of the events of November 5, 1981, when the first ministers met privately to dump treacherously entrenchment of Section 34, never having said a word publicly of their opposition or any reasons for such opposition. Only Saskatchewan put forward Section 34 for inclusion.

Bill Bennett and Peter Lougheed were the last of the Premiers to be bickering about wording and cost. It is shameful for legislators to be publicly crying about the costs of enacting human rights. When were they last without a vote federally and provincially, forced out of work by law, forced to live on a reserve? Need I go on? I would like to see Bill Bennett and Peter Lougheed live under those sorts of circumstances.

On January 30, 1981, the NDP put forward an amendment to the Constitution for the entrenchment of aboriginal rights that carried unanimously with the committee. The original Liberal resolution had nothing, the Conservative Party proposed nothing, yet we all agreed on Section 34, and I am thankful for it.

We have general support now of the aboriginal people of Canada, the firm support in law of the Supreme Court of Canada, the British North America Act, Section 91(24), the overwhelming majority of the provinces, and now their premiers, the churches of Canada and all parties in the House. Is it not time that Canada's history was set straight, even if a province or two might continue to object?

● (2130)

I urge all members of the House to reject the ambiguity created by the proposed inclusion of the word "existing", primarily for symbolic reasons. I think we need to think of that when we vote on the subamendment, Mr. Speaker. It is the symbolism, the treachery of 500 years of white supremacy in this land. It is time the record was set straight and we set straight what the premiers did on November 5. They committed a treacherous act. In order to regain that fragile faith of the native people, we must put Clause 34 back in in its original wording. This is the second time in three weeks that the aboriginal people have been excluded from the process without consultation.

In concluding, Mr. Speaker, let me say that it is their rights, not the rights or views of any premiers or bureaucrats or ministers of the Crown, that are being tampered with. I urge all members of the House to support the subamendment for the sake of the Indian, Inuit and Metis people and all the people of Canada.

Mr. Deputy Speaker: Order, please. It has been moved by Mr. Fulton, seconded by Mr. Broadbent that the amendment be amended by deleting the word "existing". The question is now on the amendment to the amendment.

Mr. Ian Watson (Châteauguay): Mr. Speaker, I am particularly happy to be participating in this debate on the constitutional resolution at this point, now that most of the controversy and animosity have subsided.

Last night, thanks to the efforts of all three parties in the House, Mr. Chrétien was able to announce that both the aboriginal rights and the womens rights clauses would be reinstated with the consent of the provinces. I would like to pay tribute to those members of both the Conservative and NDP parties who leaned on their provincial counterparts and thus assisted Mr. Chrétien and his colleague Mr. Munro, Minister of Indian Affairs and Northern Development—

Mr. Deputy Speaker: Order, please. It is the practice in the House, and I note the previous speaker also fell into the same habit, of referring to hon. members by their constituencies or ministers by their functions, not by personal names.

Mr. Watson: The other colleague who was so invaluable in her assistance to the Minister of Justice and Attorney General (Mr. Chrétien) was the minister of state responsible for the status of women. The result that was achieved by these efforts has been welcomed by all members of the House. The Minister of Justice deserves our most heartfelt congratulations for this

latest effort on his part as well as for the leading role he played in the initial agreement with the nine provinces.

The Minister of Justice and Attorney General obviously subscribes to the axiom that politics is the art of the possible and he possesses the fairness, the flexibility, the give and take and the openness which are the basic ground rules for achieving political objectives in a democratic society. As an example of effective politics, I hope it would both impress and influence some of our other ministers, Mr. Speaker.

[*Translation*]

I should now like to broach subjects of concern to some of my francophone and anglophone constituents. The francophones are concerned with the conflict that opposes Quebec and Ottawa with regard to the three points on which they failed to agree. Concerning the right to mobility and to gain livelihood, the Government of Canada proposes to guarantee, and I quote:

6. (1) Every citizen of Canada has the right to enter, remain in and leave Canada.

(2) Every citizen of Canada and every person who has the status of a permanent resident of Canada has the right

(*a*) to move to and take up residence in any province; and

(*b*) to pursue the gaining of a livelihood in any province.

Those rights, Mr. Speaker, would prevent the provinces from imposing unfair restrictions to the hiring of workers from Quebec or Newfoundland. Yet, this section offers some protection when unemployment is particularly severe. The Right Hon. Prime Minister (Mr. Trudeau) offered to add special terms in order to meet the objections of the Quebec government. In view of the provisions of Bill 101 concerning the working language, the danger of a massive migration of workers from the other provinces to Quebec is minimal.

Section 6 will protect mostly Quebecers. As for Section 23, which recognizes for the first time the right of every francophone in the country to education in his mother tongue, let us keep in mind Mr. Speaker, that our society is becoming increasingly mobile. Enormous energy projects will cause temporary movements of population throughout the country. Quebecers will now be able to move with their whole family and be assured that their children may pursue their education in French. As for the objections of Quebec to the Canadian proposal, it should be noted that Mr. Lévesque himself proposed a reciprocal agreement on education in both official languages in St. Andrew's two or three years ago. The third point in dispute between Quebec and Ottawa concerns the lack of compensation for a province which decides to opt out of an amendment affecting its powers. The resolution now before the House make an additional concession to Quebec in Section 39.

Section 39 reads as follows:

39. Where an amendment is made under subsection 37(1) that transfers provincial legislative powers relating to education or other cultural matters from provincial legislatures to Parliament, Canada shall provide reasonable compensation to any province to which the amendment does not apply.

Quebec will therefore have a veto in matters of education and culture.

Another element of this resolution should be of interest to all Quebecers. I am referring to Section 35:

Equalization and regional disparities

The equalization system is of great benefit to all Canadians since it promotes equal opportunities throughout the country, but it is of special benefit to the provinces receiving money, including Quebec. Section 35 of the charter guarantees this principle of sharing and makes it a cornerstone of our Confederation.

What does equalization mean for Quebecers? It means that the wealth produced by the natural resources of western Canada will be shared with Quebecers and maritimers. When the west is prosperous, all Canadians benefit from new job opportunities, economic spin-offs for industry and the sharing of tax revenues guaranteed by equalization.

● (2140)

[*English*]

The concerns of my English-speaking fellow Quebecers relate particularly to the optional applicability of the maternal language clause, Section 23(1)(a). They are asking why the maternal language clause is being applied in the other nine provinces but not in Quebec. Apart from the political arguments, with which I will deal in a moment, the practical argument which the government employs is that the absence of French schooling facilities in most parts of English Canada means that many French Canadian families would be ineligible under the other subsections of Section 23 to send their children to French schools. They would not have benefited from French schooling facilities since none exist. That handicap does not affect the English-speaking inhabitants of Quebec who have long had excellent school facilities provided by the government of Quebec and supported by all taxpayers of Quebec.

The number of people affected by the non-applicability of Section 23(1)(a) is fairly small. Perhaps we are talking about 2,000 to 3,000 naturalized Canadian citizens, couples who came to Quebec from elsewhere in Canada after the passage of Bill 101. They had not started families or did not have children in school prior to moving to Quebec. They are families with at least one parent whose maternal language is English. Bill 101 allows all inhabitants of Quebec whose maternal language is English, domiciled there at the time of the passage of the bill, to send their children to English language schools. We are faced with a situation where admittedly the 2,000 to 3,000—and I do not know if my figures are accurate—couples who moved to Quebec since Bill 101 from other parts of Canada will not have rights which are available to other Canadians anywhere else in the country. We are also talking about another group of a few thousand or more naturalized Canadians who came to Quebec since the passage of Bill 101 from outside Canada and whose mother tongue is English. In this case the people who came knew what they were facing when

they came; the bill had been passed, and they are not stuck with a situation which was thrust upon them after the fact.

The reason I am quoting these statistics is to underline that the numbers are insignificant from a demographic viewpoint or from the viewpoint of a threat to Quebec's French majority.

There is a third group which is potentially affected by the section, that is the English language immigrant group that could be expected to total perhaps 2,000 to 4,000 per year over the next few years, if the statistics of the last several years hold accurate. This group is of particular importance. These people usually come from the United States or Great Britain because their skills are particularly in demand by sectors of the Quebec economy.

[*Translation*]

Whether we like it or not, we in Canada suffer from a shortage of skilled workers in various fields, including geologists and geophysicists in western Canada as well as aerospace technicians in Quebec. The blame rests squarely on the federal and provincial governments as well as on industry. Nevertheless, if we fail to improve our technical training programs, Canada will continue to import those skilled workers from other countries. It is precisely those skilled technicians and their availability to develop Quebec's aerospace industry which will be affected by our lack of courage with respect to Section 23(1)(a). Mr. Speaker, we are not talking about waves of English-speaking immigrants who will severely upset the demographic balance in Quebec but instead just a few thousand couples.

[*English*]

The statistics of the last decade demonstrate that Quebec's native English-speaking population, young people in particular, educated at the expense of Quebec taxpayers, has been moving westward to take advantage of greater opportunities in far larger numbers than they have been replaced by English-speaking immigrants. The English-speaking percentage of Quebec's population has been diminishing rapidly over the years. We are not talking about any threat to the French-language majority in Quebec. Even the Parti Québécois now admits that the demographic views, which were a major factor behind the growth of the separatist movement, are no longer justified by statistics.

As I have already alluded, if the absence of the maternal language clause in Section 23(1)(a) will be bad for Quebec's economy, in particular the aerospace industry, and if there is no demographic threat, why are we showing such lack of courage?

● (2150)

It is the political judgment of my colleagues in the House of Commons from Quebec, that imposing Section 23(1)(a), the maternal language clause now, would provide the Parti Québécois separatists with a rallying cry, to the detriment of the acceptance of the entire package by the Quebec population. It is more important, they argue, to win the larger war against separatism than to jeopardize popular Quebec, as distinct from the Quebec government, acceptance of the present constitutional package.

While I accept that argument, I frankly do not believe the battle for the minds and loyalties of Quebecers will be greatly affected by this issue. Wisdom dictates a quick, clearcut decision, rather than to leave it a festering cause of future discussion and perhaps controversy.

I believe that the Quebec public is far better informed and better able to judge the facts than they are given credit for by both federal and provincial politicians.

By leaving out Section 23(1)(a) now and allowing Quebec to opt in later, we are, in effect, surrendering to the threat of Parti Québécois demagoguery. I do not think we should succumb to that threat.

Quebec members are in a strong position to handle Parti Québécois arguments regarding the application of Section 23(1)(b) which allows Canadians who have received their education in English or French anywhere in Canada to pass on that right to English or French language education to their children. We can also handle the argument relating to Section 23(2) which allows the family of any child of a Canadian citizen who has started his education in English or French to continue the education of all the children of the family in that same language anywhere in Canada, because Mr. Lévesque himself proposed such a formula based on reciprocity at a premier's conference in St. Andrews a few years ago.

Why not have Section 23(1)(a) as well or, I would urge the Prime Minister, at least have an exception to the non-applicability of Section 23(1)(a) to allow Canadians who moved to Quebec since passage of Bill 101, the choice of language? Maternal English language immigrants who came to the country after that time were clearly aware what they were coming to as were Canadians who moved to Quebec. To me it seems that a distinction can and should be made in favour of Canadians, perhaps without families, who moved to Quebec for a year or two, then decided to stay and raise families, that they be allowed to make the choice that their English-speaking co-inhabitants of Quebec have under the existing Quebec law and should have as a result of the changes proposed in the Constitution. To do otherwise, I would argue, is not in keeping with the contents and spirit of the resolution we are debating tonight.

[*Translation*]

A moment ago I expressed some reservations about the wisdom of excluding Quebec at this time from the application of section 23(1)(a). Except for those reservations, I must say that I am proud to support the endeavour of the Prime Minister who has been anxious to guarantee full sovereignty for Canada. His initiative, his perseverance and, in recent weeks, his flexibility have now brought us to the point where patriating the Constitution has almost become a mere formality. It is indeed thanks to the courage and tenacity of the Right Hon. Prime Minister at each stage of the long process that his efforts will be successful. The charter will establish the principle of sharing our wealth among all regions of our country. It

will give Quebecers the assurance that they will enjoy the right to go anywhere without restrictions and to work in all parts of Canada.

The charter will guarantee that workers from Quebec will enjoy the right to have their children educated in French anywhere in Canada.

[*English*]

Canadians can be proud of the Charter of Rights and Freedoms. They can be proud too that the political leadership of the country, both federal and provincial, has shown a new maturity in achieving consensus on the resolution we are debating tonight. The process has been a victory for the Canadian federal system, and all Canadians are the winners.

Some hon. Members: Hear, hear!

Mr. Nielsen: Mr. Speaker, rather than trying to crowd all my remarks in the time remaining between now and ten o'clock, perhaps hon. members might be disposed to allow me to call it ten o'clock.

Some hon. Members: Go ahead.

Mr. Deputy Speaker: There does not appear to be unanimous agreement.

Some hon. Members: Agreed.

Mr. Deputy Speaker: Is it agreed that we call it ten o'clock?

Some hon. Members: Agreed.

PROCEEDINGS ON ADJOURNMENT MOTION

[*Translation*]

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

[*English*]

CANADIAN SOVEREIGNTY—ACTIONS OF CZECHOSLOVAK GOVERNMENT AFFECTING CANADIAN CITIZENS. (b) PROCEDURES SURROUNDING ISSUANCE OF CZECHOSLOVAKIAN PASSPORTS

Hon. Elmer M. MacKay (Central Nova): Mr. Speaker, a few days ago I raised a very grave issue with the Secretary of State for External Affairs (Mr. MacGuigan) which amounts to the invasion of Canadian jurisdiction by a foreign power in the absence of any appropriate Canadian citizenship legislation to protect the citizens from Czechoslovakia, in this case, from the blandishments and coercion of that country.

This is a very serious matter. The minister's response to my question indicated that he really did not have very much knowledge of the issues involved at that time. In fairness, however, I suppose he has now been briefed.

In contrast, his colleague, the Solicitor General (Mr. Kaplan), who is more concerned with matters of security, in response to questions from my colleague, the hon. member for Esquimalt-Saanich (Mr. Munro), indicated that he was aware of the gravity of what has been going on. Since 1977 a very sincere and erudite columnist, Lubor Zink, has been bringing this particular matter to the attention of the Canadian people. Indeed, he has grilled the Prime Minister (Mr. Trudeau) about it and brought it to the attention of a former minister of external affairs, the Hon. Don Jamieson.

For anyone who is interested in dog dancing and evasiveness on the part of the Prime Minister on the very important issue on rights and sovereignty, Mr. Zink's column is most instructive, particularly now when the House is concerned with a Charter of Rights and Freedoms for our people.

Lest anyone be misled that this is only an academic problem, I want to refer to a current letter which illustrates the problem very well. It came from a Canadian citizen who asked for my advice, although he is not one of my constituents. He said that he and his family had escaped from Czechoslovakia soon after the Russian invasion in 1968, when he was a child. He is now a Canadian citizen and he is proud of it. He applied at the Czechoslovakian embassy to have his former citizenship formally revoked, and his application was finally approved.

Now, however, it appears that the Communists have raised a new demand. He is asked to pay $215 for the document which repudiates his former Czech citizenship. He is quite prepared to pay that amount provided the whole matter is not simply a Communist hoax designed to gain worthy currency. He asked whether he would really be free, with no strings attached, from his former association with the governing clique in Prague. He wondered, for example, whether he could visit Czechoslovakia in the future without fear of detention, arrest or disappearance. He wrote, "You have been helping Canadians of Czech origin for many years. Surely, you have some information regarding this policy of revoking citizenship for payment".

● (2200)

It was not to me that this letter was written but to one of my colleagues. What is my colleague to advise this Canadian citizen? Obviously, he cannot in all good conscience say that if this citizen goes down to the Czech embassy he will not, in fact, be grilled and will not be asked to fill in some very, very personal information, including information on all of his connections in the old country, his relatives, and what he has been doing ever since he got here. It would be very instructive for all hon. members to read the kind of questions that Czech émigrés are forced to answer in order to deal with their people back in Czechoslovakia.

One cannot really attribute this kind of reprehensible behaviour to just one particular country. However, Czechoslovakia seems to be particularly good at it. However, other Iron Curtain countries are using this kind of tactic on their

citizens simply because Canada has not had the guts to do anything about this.

Our Citizenship Act was changed a few years ago. There are really no sanctions, and there is no encouragement to help those who are contemplating whether they should submit to what amounts to blackmail in order to make contact with their loved ones or go back to a country which still means something to them for traditional reasons. The Czechs are doing this in Canada and are applying pressure to Canadians who, in some cases, have sensitive positions and have in fact accepted Czech passports and travel back to Czechalovakia and, I believe, pose a security risk to our country.

In the same way the Czechs are doing this—and we are doing nothing about it—the Soviet Union is using these kinds of tactics on people in that country. Do not think for one moment that when people of Jewish persuasion want to leave the Soviet Union, they too must submit to this kind of blackmail paid by them or their relatives? They are not prepared to say, "Well, comrades, this goes on in Canada, you know. Czech people whose citizenship is still enforced by Czechoslovakia do not mind paying money for the privilege of going back to Czechoslovakia. They will take affirmations showing either loyalty or pledging to do nothing against the Czech socialist republic." It is a reprehensible situation. It is an insult to our country.

Lubor Zink summed up the situation very well in one of his colums in December of 1977 after bringing it to the attention of the then minister of external affairs and the Prime Minister. Concerning the false arguments with regard to the so-called dual nationality with which the govvernment cannot seem to come to grips, he said:

> It would be very strange indeed if political refugees were to lose the protection they have as stateless persons who had been granted political asylum, the moment they become citizens of a host country.

That host country is us, ourselves, and we cannot protect them because we simply do not have the guts to do it. For example, we purchase a great deal of goods and services from Czechoslovakia. During the last seven or eight years, we have purchased approximately $324 million worth. We have sold them only $113 million worth. Has no one thought of using a little of our feeble economic leverage on Czechoslovakia, or are we just going to continue to submit to this kind of treatment?

It is not as if the security service is not aware of this, or the Solicitor General, or, surely by now, the Secretary of State for External Affairs (Mr. MacGuigan). This matter has been raised repeatedly. Hon. members must know that the Czech secret service is second only to the KGB itself in terms of its effectiveness and operations in Canada. Hon. members must know, as well, that any commercial dealings with this country by the Czechs or by the Soviet Union are simply a cover to obtain intelligence and to finance espionage against our country. When will we do something about this to protect our own citizens of Czech origin?

Mr. Ron Irwin (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, I thank the hon. member for bringing this matter to the attention of the House again. Although it is ten o'clock and there are few people in the House, and few hon. members, I think it is important because Canada is one of the most respected democracies in the world. The opinion of this democracy is that what Czechoslovokia is doing now is wrong. We hope that message is delivered to Czechoslovakia.

● (2205)

As my hon. friend has indicated, former Czech citizens who are now Canadian citizens are forced, in some instances, not all, to complete questionnaires, to be interviewed and to sign statements of allegiance to Czechoslovakia. This is really foreign to everything we think of as traditionally belonging to Canadian citizenship.

I think my hon. friend would admit, however, that Czechoslovakia is a Communist country and is sovereign in its own right, and short of sending gun boats we are restricted to economic discussions and human rights discussions on this side, in the forefront, and persuasion. That is what we are trying to do. There have been discussions as recently as November 5, 1981, with the Czechoslovakian national association at the official level. We have discussed it with the Czechoslovakian authorities on several occasions in the context of one-to-one discussions and in the context of the conference on security and co-operation in Europe.

The Czechoslovakian position is not satisfactory to Canada, and we have so indicated. We have made it clear that we will not be satisfied until these Canadian citizens, albeit of Czechoslovakian descent, are no further harassed while abroad. We feel that at a maximum all they need be required to have in Czechoslovakia is a Canadian passport and a Czechoslovakian visa.

In 1980 discussions were started on this issue at the consular level to obtain a consular agreement, and it is an item in the second phase of the consular discussions that will begin in the first half of 1982. As Bismarck once remarked when they showed him the motto of his house "no steps backward, but a few zigzags". That is probably the way Canada has had to go traditionally and will have to go in the future—many zigzags to the desired goal, and the desired goal is to free these Czechoslovakian-Canadian citizens—I do not like hyphenated citizenship—Canadian citizens from this yoke of oppression.

AIRPORTS—CONTRACT TO OPERATE DUTY FREE STORES AT TORONTO INTERNATIONAL AIRPORT

Mr. Douglas Fisher (Mississauga North): Mr. Speaker, on November 10 I asked a question of the Minister of Transport (Mr. Pepin) about the allocation of the duty free stores at Toronto International Airport to a foreign company, despite the presence of several acceptable bids by Canadian companies. I believe that the giving of this contract to a foreign company was a mistake. We gave away the best duty free store location in Canada to a foreign company to the detriment of good Canadian firms. I believe we distorted the tendering procedures of the Ministry of Transport in the course of that,

and I believe we gained nothing for Canadians that we could not already obtain for ourselves.

We have a fundamental obligation to foster Canadian enterprise. We must use the available resources of our government to bring the fruits of our own economic efforts under our own control and into the ownership of our own companies and people.

The short history of this duty free store location deserves to be told, partly because it shows how even in the government we can lose sight of this principle, partly to try to remedy the situation, and partly to bring us back on course in future situations like this.

The sequence of events is simple. In early 1979 the lease on this location had expired and we called for bids from new renters. There were two briefings for potential bidders, one on May 30, a verbal question and answer session, and one on June 12, a written supplementary session. In the normal situation that was prevailing at that time, the bids were to be received in August and the awards were to be made on November 1, 1979. The award was not made, however, until November 1, 1981. The reason is that Duty Free Shoppers of Honolulu and Hong Kong offered much higher sums for this location, much higher even that the estimates of the Ministry of Transport itself. As a result, the bidding process was greatly delayed and twisted about. Had the Ministry of Transport decided to give the contract directly to a Canadian company, that company would have received a contract right away, in 1979. Instead, the prior rules and principles, the prior regulations, were thrown out the window and there was a delay of two years.

● (2210)

I would like to quote from a Ministry of Transport document, the one I referred to just a moment ago. It is headed "Duty Free Briefing." It concerns a briefing which was held on May 30, 1979, at 1.30 p.m. at Toronto International Airport. The document is marked File No. 5156-381. On page 9 of that document there is the following question:

It is indicated in the tender specifications that conditional tenders will not be accepted. What happens in the situation where a tender is accepted and then is subsequently not approved by FIRA?

The question goes on a little further but the answer comes very clearly. It says:

Conditional tenders will NOT be considered.

To clarify the particular situation presented no tender will be accepted until it has received all necessary approvals. Hence any tender submitted subject to FIRA approval will be deemed to be a conditional tender and not considered.

However, Mr. Speaker, one of the bids from Duty Free Shoppers was so much higher that it was thrown out the window. On March 5, 1981, *The Globe and Mail* reported the reason for the long delay as follows:

Douglas Gerrie, acting director of airport marketing for the Ministry of Transport, said the long delay in reaching a decision is unusual. He said the reason was that "some of the highest bidders were out of country bidders and there had been no decision by FIRA with respect to certain aspects of their applications to operate in Canada."

Then, by November 10, the minister himself said in reply to my question—and I quote a portion of it:

When one of the foreign bidders appeared to be the winner a decision was made to get the case to FIRA. FIRA and my department developed a regime for duty-free shops.

In other words, as soon as the money was worth it we threw out the tendering and the prior regulations and we forgot about our own principles.

Now, when FIRA agreed to approve the right by Duty Free Shoppers to bid, the Minister of Industry, Trade and Commerce (Mr. Gray) said, and I quote from a FIRA press release of October 29:

—Mr. Gray noted that allowance of the 422694 proposal should result in a greater number of bidders for the airport concession and, if 422694 is successful in its bid, will bring to Canada the expertise of its affiliates in operating duty-free concessions—

What I would like to know, Mr. Speaker, is this. There were half a dozen Canadian companies bidding on that contract. Why do we need what the minister called "a greater number of bidders"? Every last one of them already deals with the Ministry of Transport. What expertise are they lacking? What extra ingredients do they bring? And when we look through the other concessions made by FIRA, the other undertakings made to FIRA, we find no additional benefit to Canada that this company brings that our own people were not able to give us already. Mr. Speaker, the final concern that I have comes from one of the undertakings made to FIRA itself—and I will conclude on this:

—to waive any right, which it—

That is, Duty Free Shoppers—

● (2215)

—might acquire through allowance under the FIR Act, to engage concurrently or subsequently in any related business in Canada, excepting the operation of other duty-free concessions, without prior approval under the FIR Act;

Not only have we allowed this company to come here, to the detriment of Canadian companies already operating, but we are also going to let this happen again in the future.

Mr. Robert Bockstael (Parliamentary Secretary to Minister of Transport): Mr. Speaker, as the hon. member knows, Duty Free Shoppers Limited, an American firm, has been awarded the duty free concession at Toronto International Airport. The hon. member's main objection seems to be that the award was made to a foreign firm. The explanation is simply that the firm in question submitted by far the highest bid, and was willing to meet the conditions imposed by FIRA.

In this particular situation, the submission of bids by foreign firms required the development of new FIRA guidelines that could be used to evaluate the applications. The guidelines, as indicated by the minister in answer to the original question on November 10, stipulate a very high Canadian content.

It should be clear that the tender specifications did not preclude foreign firms from submitting bids. This question was in fact raised during the pre-tender briefing, in the context of whether a tender should be submitted "subject to" the approval of FIRA to ensure that the tenderer's security deposit be returned. It was clarified that tenders must be self-supporting and not subject to extraneous considerations. Sections 5 and 6

of the "terms and conditions" of the tender specifications clearly state that the lessee shall abide by all rules, regulations and bylaws of the federal, provincial or municipal governments. Consequently, if a tender was received subject to FIRA or any other approval, it would be rejected. In the end, no tenderer submitted an offer of this sort.

With respect to the costs incurred in the tendering process, it should be noted that the tenderer has the option of submitting security deposits in the form of certified cheques or Government of Canada bonds. Any company that is bidding in the millions of dollars is no doubt aware of the advantages and disadvantages of each option, and any tenderer will attempt to minimize his financial commitments. In fact, certain bidders for this concession did exchange their security deposits from certified cheques to bonds.

In conclusion, the government believes the contract was awarded fairly to the highest bidder. The conditions imposed by FIRA on this foreign company will ensure that Canadians will derive significant benefit from the contract.

WESTERN DEVELOPMENT FUND—COMPENSATION PAYMENTS TO GRAIN GROWERS FOR EMBARGO ON SHIPMENTS TO RUSSIA. (b) CONSULTATION WITH PROVINCIAL GOVERNMENTS

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, I wish to address the House on the subject of the Western Development Fund, the elusive dream mentioned in the October 28, 1980 budget of the Minister of Finance (Mr. MacEachen) and dealt with again on November 12 last. We find, however, that the transportation and resource fund of 1980 is the slush fund of 1981.

It is interesting to note the words of the Minister of Finance in his budget address of October 28, 1980. He said:

> We have, therefore, allocated $4 billion to a Western Development Fund, of which we expect to spend $2 billion over the next three years... Specific development initiatives will be selected in consultation with the governments of the western provinces. They will be designed to address the major economic opportunities and constraints which will challenge the west during this decade. For example, the federal government is hopeful that through consultation with interested groups in the west, agreement can be reached on the modernization of the western grain handling and transportation system which is so vital to the growth and diversification of the prairie economy. We will also consider initiatives relating to industrial diversification and examine ways in which trade and industrial policies can better serve western development. To co-ordinate these efforts and to ensure early action, the Prime Minister has established a special group of ministers led by my colleague, the Minister of Employment and Immigration.

What has become of that plan? The government has forgotten about it. No consultations have been held and no plans have been drawn up for the spending of these alleged billions of dollars.

● (2220)

Indeed, one wonders whether the government really knew what it had created. The simple fact is that nobody in the government had any intention of putting in place seed money for the development of industry in western Canada. They simply needed a fund they could dip their hands into when the pot was empty somewhere else.

In the budget, we can plainly see how completely fraudulent this fund really is and what a cruel hoax has been perpetrated on the people of western Canada by this government. The fund has now been slashed to $1.5 billion from $4 billion, to be spread over five years instead of three. This year's allocations are at $148 million, down $202 million from this year's main estimates. In the budget, the government announced that the allocations are all intended to provide for improvements in the western transportation system. Now we find that $65 million will be used to assist Vancouver in the purchase of urban transit, light rapid transit. All that equipment comes from eastern Canada. So much for providing jobs and secondary industry and technology to the west.

What is even more disturbing is the use of the fund to funnel $81 million to Canadian farmers for payment for losses sustained because of the Soviet grain embargo. Canadian farmers have every right to their money. They must be compensated fairly for their loss. This government, however, is paying money to them from a fund declared to be for the economic development of the west. One should add that of the $81 million payment, $13 million goes to farmers in Ontario and Quebec. Both payments should have been paid out of the general treasury.

Grain embargo moneys out of a fund purportedly designed to place seed money in western Canada for industrial and transportation improvement and expansion is a complete betrayal of promises to western Canada. The use of the fund to buy an eastern transit system for Vancouver means no new industry and jobs for western Canadians. When the pot gets dry, western Canadians will pay again as we have in the past. The fund, created to turn some resource profits back to western Canada to build the west, is a fraud simply and purely, a mirage, a joke.

With the envelope system of expenditures having been accepted by the government, any moneys dedicated to the Western Development Fund will be used as a slush fund by cabinet to loosen up moneys in the envelope for other parts of the country. Thus, perversely, the so-called Western Development Fund is actually the antithesis of that. The government's actions are another in a long series of broken promises to the west. It is no wonder that the Liberal Party is the laughing stock of western Canada.

Mr. Robert Bockstael (Parliamentary Secretary to Minister of Transport): Mr. Speaker, the hon. member for Saskatoon West (Mr. Hnatyshyn) packed a number of assertions into his questions to the Minister of Employment and Immigration (Mr. Axworthy) on November 16.

Among them was the assertion that the Western Development Fund has been and I quote "put out into Never Never Land until some time in the 1990s". It is true that the Minister of Finance's (Mr. MacEachen) budget has announced the government's decision on the first allocation of the fund, namely $1.355 billion for a major initiative on western transportation, and about $400 million for socioeconomic development of native peoples.

The hon. member will understand why there has been a delay in the government's decisions about the western fund, as he is a former minister of energy, mines and resources. Contrary to the government's expectations at the time of last year's budget, the energy agreements with western producing provinces have just recently been concluded. As the principle for the creation of the fund, namely, the use of federal energy revenues to accomplish major projects within the federal government's mandate in the west—as this principle has guided the government's deliberations on this matter—the government had to await the outcome of the energy negotiations before making firm commitments and allocations.

The hon. member spoke of "Never Never Land", and "sometime in the 1980s" for the fund. Clearly, with the Minister of Finance's first allocations now announced, it is the hon. member who is living in some strange land. Maybe he is looking too far into the future for his own good.

I am particularly proud as a western member on this side of the House that the government's initial decisions on the western fund are intended for transportation—the single most critical and important physical infrastructure constraint upon western Canada's economic growth, and for native development.

● (2225)

All westerners know that, unfortunately, native peoples are at the present time the least well prepared to participate fully in the benefits that growth brings. Native development is thus the most critical and important human resources concern in western Canada. It is the government's promise that the western Development Fund will be used in part to assist native westerners in their quest for a better chance in the economic opportunity that the present boom brings.

Mr. Deputy Speaker: A motion to adjourn the House is now deemed to have been adopted. Accordingly this House stands adjourned until tomorrow at two o'clock p.m.

At 10.26 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Wednesday, November 25, 1981

The House met at 2 p.m.

• (1405)

ROUTINE PROCEEDINGS

[*English*]

THE BUDGET

CHANGE IN TAX FROM MANUFACTURING TO WHOLESALE LEVEL—MOTION UNDER S.O. 43

Mr. Ron Stewart (Simcoe South): Madam Speaker, as a person knowledgeable of the wholesaling business, and with reference to the budgetary provision which shifts the federal sales tax from the manufacturing level to the wholesale level, I know that this is another clumsy example of the MacEachenism school of root canal economics from the minister in charge of the expanding department of unemployment and bankruptcies. It is yet another hidden tax, another ad valorem tax, perpetrated against the Canadian consumer, which will provide constantly escalating millions of dollars built into the final retail prices consumers will be forced to pay, particularly for building materials, this from the minister who preaches restraint. It is inflationary. Therefore I move, seconded by the hon. member for Bow River (Mr. Taylor):

That the minister act immediately to rescind this regressive hidden tax and spare consumers from higher prices and wholesalers from added paper burden, which means additional employees, not to mention the increased government bureaucracy which would be required for its administration.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

FITNESS AND AMATEUR SPORT

GOLD MEDAL WON BY CANADIAN BOXER—MOTION UNDER S.O. 43

Mr. Joe Reid (St. Catharines): Madam Speaker, they say it can only happen in the movies. Last week a 19-year-old amateur boxer named Shawn O'Sullivan, who trained in a run-down, decayed building in that part of Toronto known as Cabbagetown, won a gold medal at the World Cup Amateur Boxing Championships in Montreal. As this is the first gold medal awarded to a Canadian boxer in 49 years, I move, seconded by the hon. member for Simcoe South (Mr. Stewart):

That this House do recognize the fine example and inspiration that Shawn O'Sullivan will be to the art of boxing, and commends him on an accomplishment which leaves all Canadians proud and elated.

Madam Speaker: I am sure the House would want to express its sentiments, but I am afraid this is not an urgent and pressing matter under the provisions of Standing Order 43.

* * *

THE BUDGET

EFFECT OF INTEREST POLICY ON FARMERS—MOTION UNDER S.O. 43

Mr. Albert Cooper (Peace River): Madam Speaker, whereas the Minister of Finance (Mr. MacEachen) has placed a tax on farmers for being good at what they do, I move, seconded by the hon. member for Crowfoot (Mr. Malone) and the hon. member for Athabasca (Mr. Shields):

That the Minister of Finance jump in his Jetstar and fly out to visit a few of our Canadian farmers to see the disastrous effect his America plus 4 per cent interest policy is having and, while he is there, announce his plans to change his Small Business Development Bond policy so that not only farmers facing bankruptcy but also those who are being crippled by his America plus 4 per cent policy qualify for Small Business Development Bonds.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

THE CONSTITUTION

POWER TO CREATE NEW PROVINCES—MOTION UNDER S.O. 43

Mr. Jim Fulton (Skeena): Madam Speaker, I too rise under the provisions of Standing Order 43. In view of the fact that in Canada's history new provinces were created at the request of the territories and regions in direct legal and constitutional negotiation with the federal government, and since it is the view of this party that that regime should continue, with boundary or provincial status change coming only with the consent of the territories, and in view of the November 5, 1981, consensus in which eight Tory premiers, along with the Liberal Party of Canada, changed the historic rules for creation of provinces without consultation with or the participation

of the Yukon and Northwest Territories governments, I move, seconded by the hon. member for Nunatsiaq (Mr. Ittinuar):

That this House condemns the Liberal and Conservative parties for refusing to accept publicly their responsibility for initiating the proposal to exclude the territories and to give such extraordinary new power to the provinces.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

THE BUDGET

EFFECT ON RETIREMENT INCOME OF FARMERS—MOTION UNDER S.O. 43

Mr. Doug Neil (Moose Jaw): Madam Speaker, in view of the fact that many farmers in western Canada have, over the years, based their retirement plans on tax laws respecting capital gain and IAACs which have been in force for a number of years, and in view of the fact that the budget makes changes in these laws effective November 12 rather than at the end of the taxation year, resulting in unexpected and excessive tax burdens on these retiring farmers, I move, seconded by the hon. member for Assiniboia (Mr. Gustafson):

That the government allow retiring farmers who sell their property prior to December 31, 1981, the right to make use of the provisions of the Income Tax Act respecting IAACs that were in effect prior to the November 12 budget.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

NUCLEAR ARMAMENTS

NEGOTIATIONS TO LIMIT NUMBERS—MOTION UNDER S.O. 43

Mr. Robert Wenman (Fraser Valley West): Madam Speaker, in view of the positive initiative taken by President Reagan's zero option proposal, under which the Soviet Union and the United States would mutually agree to have no intermediate range nuclear missiles, and recognizing that President Brezhnev has made a counterproposal, I move, seconded by the hon. member for St. John's West (Mr. Crosbie):

That this House urge the United States and the Soviet Union in their negotiations scheduled to start on November 30 in Geneva, Switzerland, to seek vigorously, balanced and verifiable limitations and reductions of those nuclear weapons at the lowest possible levels.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

• (1410)

CANADA SAVINGS BONDS

RATE OF RETURN PAID TO INVESTORS—MOTION UNDER S.O. 43

Mr. Don Blenkarn (Mississauga South): Madam Speaker, the Minister of Finance, by paying 19½ per cent on savings bonds, at least 4 per cent more than he should have paid, raised from the private market nearly $12 billion, thus exacerbating the interest problems faced by ordinary Canadians. The money raised is largely on deposit with the chartered banks. The borrowing raises government expense by at least $1 billion over what it should be. I therefore move, seconded by the hon. member for Fraser Valley West (Mr. Wenman):

That the Minister of Finance report to this House on motions why he paid 19½ per cent to borrow Canada Savings Bond money, why he borrowed far more money than he needed for current operations, and why in so doing he is now Canada's one billion dollar loser?

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

[*Translation*]

ADMINISTRATION OF JUSTICE

ALLEGED IRREGULARITIES ON PART OF CERTAIN MEMBERS OF THE ROYAL CANADIAN MOUNTED POLICE—MOTION UNDER S.O. 43

Mr. Svend J. Robinson (Burnaby): Madam Speaker, I rise on a matter of urgent and pressing necessity under the provisions of Standing Order 43.

Whereas the Solicitor General (Mr. Kaplan) has confirmed that the RCMP is still gathering information of a political nature in Quebec, although this does not fall within its terms of reference, and whereas the Solicitor General has refused to put an end immediately to these irregular activities, I move, seconded by the hon. member for Vancouver East (Mrs. Mitchell):

That the minister take immediate action to stop this unlawful infiltration of the Quebec Government and also cease to consider the present Quebec government as an alien and subversive government.

Madam Speaker: The House has heard the motion presented by the hon. member. Under the provisions of Standing Order 43, this motion requires the unanimous consent of the House. Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

[*English*]

LABOUR RELATIONS

MEETING WITH CANADIAN LABOUR CONGRESS REPRESENTATIVES—MOTION UNDER S.O. 43

Mr. Gilbert Parent (Welland): Madam Speaker, I rise under the provisions of Standing Order 43 on a matter of urgent and pressing necessity. according to reports in the media today, Dennis McDermott, president of the Canadian Labour Congress, has threatened to move his protest movement into an occupation of Parliament Hill, claiming that he is unable to get the ear of the government. In view of the fact that Mr. McDermott claims the New Democratic Party would not exist if it had not been created by the labour movement, I move, seconded by the hon. member for Restigouche (Mr. Harquail):

That this House urges the hon. member for Oshawa and his colleagues to tell their leader, Mr. McDermott, to come clean with the labour movement and inform them that, at the request of the Canadian Labour Congress, nine ministers, including the Minister of Finance and the Minister of Public Works, as well as many MPs, met for close to two hours last Thursday afternoon inside Parliament Hill with representatives from all regions of this country to discuss their views, well in advance of the carefully staged rally on Parliament Hill last Saturday.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

Some hon. Members: Oh, oh!

* * *

AGRICULTURE

HERD MAINTENANCE PROGRAM PAYMENTS—MOTION UNDER S.O. 43

Mr. Arnold Malone (Crowfoot): Madam Speaker, I did not hear you call my name because of the labour supporters down here. In light of the fact that the herd maintenance program, established to assist farmers in maintaining beef herds following the drought conditions of the spring and summer of 1980, was conducted in such a way as to pay farmers or ranchers in large blocks while leaving a few individual operators in the middle of those blocks without payment, paid compensation for full townships except for specific individuals whose ranch buildings were located in adjoining townships, and because payment was made for hays and legumes relative to the farmers' production of yield for cereal crops, a situation for which there is no necessary correlation, I therefore move, seconded by the hon. member for Peace River (Mr. Cooper):

That the subject matter of the 1980 pay-out for herd maintenance programs be referred to the Standing Committee on Agriculture.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

THE BUDGET

EFFECT ON VOLUNTARY ORGANIZATIONS—MOTION UNDER S.O. 43

Mr. Walter McLean (Waterloo): Madam Speaker, the government's new budget threatens to reduce funding for social programs across Canada, and increases the burden on the voluntary sector which so significantly serves the social needs of Canadians, especially those of women, the elderly, the disabled and the working poor. The government's budget has ignored the taxation suggestions put forward by the national voluntary organizations which would have encouraged charitable giving during these inflationary times. I move, therefore, seconded by the hon. member for Brampton-Georgetown (Mr. McDermid):

That this House condemn the government for its neglect of the voluntary sector in its budget of November 12 and demands that the budget be withdrawn and replaced by one which encourages the important work of Canada's volunteers.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

● (1415)

ORAL QUESTION PERIOD

[*English*]

THE BUDGET

ELIMINATION OF TAX DEDUCTIONS FOR INVESTMENT PURPOSES

Miss Pat Carney (Vancouver Centre): Madam Speaker, my question is addressed to the Acting Prime Minister, since the Minister of Finance is not in his seat and is presumably out to lunch.

Some hon. Members: Hear, hear!

Miss Carney: Yesterday, in Vancouver, the Prime Minister accused British Columbians of being "terribly unaware of what is happening in the country". I suggest that the Prime Minister is unaware of the unfair and unthinking impact the budget has on many Canadians. Since the stated objective of this government is to encourage the Canadianization of our economy, why has the government eliminated the right to deduct interest on loans made to invest in Canadian companies?

[*Translation*]

Hon. Pierre Bussières (Minister of State (Finance)): Madam Speaker, I should like to remind the hon. member that the Minister of Finance came back from Halifax yesterday and went on to Toronto to attend other meetings, so that today he is unavoidably absent from the House. I can assure hon. members that he is very sorry to have to miss question period. The member indicated that the Minister of Finance did not pay sufficient attention to some aspects of the budget which might have created certain problems. The hon. member will recall that in the case of certain costs related to the MURB program, the Minister of Finance, following a question and representations from colleagues on this side of the House, immediately added refinements which made it possible to improve the program to accommodate MURBs on which construction had already started.

Concerning the deduction of interest on loans for investment purposes, this provision should be considered most carefully. It does not say that interest costs may never be deducted. Interest received on investments may also be deducted. Furthermore, one should also consider that under this provision interest payable on loans for investment purposes can be deferred over a period of time.

[*English*]

REQUEST FOR INTRODUCTION OF "GRANDFATHER CLAUSE"

Miss Pat Carney (Vancouver Centre): Madam Speaker, my next question is addressed to the Minister of State for Finance. His comments bring to mind a letter written to me by one of the Prime Minister's own constituents. It states, "Never in the history of human endeavour have so few stolen so much from so many".

Some hon. Members: Hear, hear!

Miss Carney: Madam Speaker, many civil servants, senior citizens and small businessmen base their retirement plans and their business decisions on measures introduced by past Liberal governments and now face heavy tax penalties. Will the minister consider imposing a "grandfather clause" on those measures which impose retroactive tax penalties, to allay the extreme hardship and anxiety of those Canadians who made their commitments in good faith?

Some hon. Members: Hear, hear!

[*Translation*]

Hon. Pierre Bussières (Minister of State (Finance)): Madam Speaker, I believe it is a mistake to draw hasty conclusions with respect to the various provisions contained in the budget, before a careful analysis of each individual case has been made. I feel that certain measures may require further refinement. We are considering them as we are considering individual cases that are brought forward. We shall also have an opportunity to discuss the nature of each measure when the House is in Committee of the Whole. I feel that if we take the trouble to look at the exact nature and scope of these measures, we will find that they make our tax system more equitable, and that in fact, they are benefiting all Canadian taxpayers. We must also realize that when a tax preference was removed which mainly benefited higher income people at the same time, marginal income tax rates were adjusted, thus increasing the financial power of individuals who lost that benefit or preference.

[*English*]

TAX INCENTIVES FOR RENTAL HOUSING

Miss Pat Carney (Vancouver Centre): Madam Speaker, my supplementary question also is addressed to the Minister of State for Finance who calls for the need for analysis. Most of us would have preferred to have had the analysis made before the budget was introduced to the House.

Some hon. Members: Hear, hear!

• (1420)

Miss Carney: Madam Speaker, the prospect of huge rent increases in a tight housing market is panicking many tenants who realize that the government's proposal to subsidize only 15,000 new rental units will produce a rental housing famine. There are 20,000 people on the housing waiting list in the Greater Vancouver area alone. Will the minister recommend that the government continue tax incentives for rental housing, at least until the supply is in better balance with the demand?

[*Translation*]

Hon. Pierre Bussières (Minister of State (Finance)): Madam Speaker, the hon. member seemed shocked at my use of the word "analysis". I can assure the hon. member that very thorough analyses were made before the budget was brought down. In fact, it was because these analyses were so thorough that the Minister of Finance was able to bring down such a sound budget. However, if we refer to specific measures and specific cases, the impact of the general measure on a specific case cannot be established without analysing that particular case.

On the subject of housing, the hon. member wanted us to reintroduce tax incentives for residential construction. For the sake of equity, the Minister of Finance decided to remove from our tax system a number of tax privileges and preferences. I fail to see why, after removing existing tax privileges or preferences, we should turn around and introduce new preferences. We want a more equitable tax system, and I believe that we shall achieve this by taking these tax preferences out of our system altogether.

[*English*]

FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS

FEDERAL FUNDING FOR HOSPITALS AND UNIVERSITIES

Mr. Blaine A. Thacker (Lethbridge-Foothills): Madam Speaker, my question is directed to the Secretary of State. It concerns federal payments covering health and post-secondary education. The budget indicated a cut in that area of $1.9 billion, but, as a result of a government error, the cutback has been increased by $600 million. Does the minister still believe that the hospitals, universities and colleges of the country can continue to provide services at the same level?

Hon. Gerald Regan (Secretary of State): Madam Speaker, the simple answer to the question the hon. member poses is yes, as long as the provinces meet their responsibilities. If the hon. member listened carefully to the budget address of the very able Minister of Finance, he would have noted that the minister specifically said that there would be no cut in the financing of higher education and of health services. He chose, instead, despite the dire predictions of hon. members opposite, to remove the revenue guarantee, an item of financial transfer which had been specifically mentioned again and again by the provincial governments as not being part of the financing of higher education or of health care costs.

If the hon. member will not place himself in the very unusual position in his party of disagreeing with the provincial governments, then he would have to go along with what they have said in the past, that this is not part of the financing of higher education or of health. I assure the hon. member that, in relation to our goals in negotiating the future structure of higher education—

Some hon. Members: Order, order!

Mr. Regan: —we have every intention of continuing to provide high priority to the support of post-secondary education, which has characterized the government over the years.

Mr. Baker (Nepean-Carleton): Short questions; long answers which mean nothing.

STATEMENT MADE BY MINISTER

Mr. Blaine A. Thacker (Lethbridge-Foothills): Madam Speaker, the Secretary of State seems to ignore the fact that an all-party task force called for the retention of that money. Somehow the government seems to think that the universities, colleges and hospitals of the country can make more bricks with less straw.

My supplementary question is directed to the Secretary of State. On November 3 he said that he was "highly confident that there will not be any $1.5 billion reduction in support of post-secondary education", and that "the proof of the pudding is in the eating". How does it feel to swallow a sour $2.6 billion cut pudding, including the plate?

● (1425)

Hon. Gerald Regan (Secretary of State): Madam Speaker, the problem the hon. member has is that he is throwing straw men instead of bricks. He is in the position that he refuses to recognize that he was wrong and that the budget clearly showed that there is not a $1.5 billion cut that affects education or health. As long as the provinces do their part, which in many instances they have not been doing, then we can improve post-secondary education in this country.

PURPOSE OF FEDERAL FUNDING

Mr. Bill Blaikie (Winnipeg-Birds Hill): Madam Speaker, in the absence of the Minister of Finance I will put my question to the Minister of State for Social Development, not to the Secretary of State. I do not think we have enough time for another answer by the Secretary of State.

In view of the intransigence which the Minister of Finance seems to be showing in his intention to cut back federal transfer payments to the provinces, particularly the money associated with the $5.7 billion over five years of revenue guarantees, will the minister please explain to the House why the Minister of Finance and his government now pretend, as the Secretary of State just did, that this money is not for health and post-secondary education? Up until the budget of November 12, the government and the Liberal Party always regarded this money as being earmarked for health care and post-secondary education.

[*Translation*]

Hon. Jean Chrétien (Minister of Justice and Minister of State for Social Development): Madam Speaker, I have nothing much to add. I think that the Minister of Finance has clearly established that at the time of the fiscal reform in 1972, when Mr. Benson was Minister of Finance, we had offered to the provinces a revenue guarantee for a period of five years, which was then extended for another five years. All this was done under the tax reform and had absolutely nothing to do with the health and post-secondary education payments.

[*English*]

Mr. Blaikie: Madam Speaker, I wonder if the minister really expects anyone who knows anything at all about fiscal arrangements to be tricked by this latest manoeuvre on the part of the government. In his submission to the parliamentary task force the Minister of Finance called the revenue guarantee money "conditional" money. The Liberals have used the revenue guarantee money for the last five years in their self-righteous calculation of the federal share of spending on health care and post-secondary education. It seems to me they have a very short or convenient memory.

NEGOTIATION OF NATIONAL HEALTH CARE STANDARDS

Mr. Bill Blaikie (Winnipeg-Birds Hill): Madam Speaker, my supplementary question is for the Minister of National Health and Welfare and concerns the government's stated

intention to clarify and strengthen national standards for health care in Canada, something which we in the NDP would support. How does the minister expect to negotiate tough, new, and undoubtedly expensive national health care standards with the provinces, when the government is taking money off the table?

Hon. Monique Bégin (Minister of National Health and Welfare): The answer is very clear, Madam Speaker. I would have liked the premiers, when they met in whatever city of Canada at the end of August, not to have issued a press release saying that the revenue guarantee was not part of health or post-secondary education. They would have helped me and their ministers of health today, and would have avoided the debate we are now having. They decided clearly—and it was not the first public statement—that they would separate the revenue guarantee from the health moneys. The health moneys per se have not been and will not be cut. The hon. member knows that. The total sum over the next five years which I hope to negotiate, with more serious conditions, to save the health system in Canada, that is, medicare, will include an average increase over preceding years of 13 per cent.

Mr. Blaikie: We will deal with the sophistry of the provinces after we have dealt with the sophistry of the federal government. I submit that the latest actions of the federal government are indeed an abandonment of the search for better national standards in medicare.

REASONS FOR GOVERNMENT ACTION

Mr. Bill Blaikie (Winnipeg-Birds Hill): Madam Speaker, my final supplementary question is addressed to the Minister of State for Finance. The minister knows that, even if the present arrangements are continued, the federal government will be paying a smaller and smaller share of the health and education fiscal pie, so to speak, and that there is no need for the government to cut back in this area in any case. Expecting, as he should, that funding for these services is already at an irreducible level, as the task force recommended, if the government is so intent on saving money, why has it put these vital Canadian programs in jeopardy at the same time that it is reducing tax rates for the wealthy, thus giving the lie to all this Liberal piety about equity and fairness?

● (1430)

[*Translation*]

Hon. Pierre Bussières (Minister of State (Finance)): Madam Speaker, I think that it is important to remember and to understand that the established programs, financing and the revenue guarantee, are two separate things. The financing for health, medicare and post-secondary education programs is not affected and will continue to increase at the same rate as the gross national product. As for the revenue guarantee, the hon. member is well aware that the removal of certain fiscal preferences or privileges from our tax system, will provide additional revenues for the provinces. These additional revenues for the provinces will compensate for their losses due to the removal of the revenue guarantee from the program as a whole.

* * *

[*English*]

HOUSE OF COMMONS

PRESENCE IN GALLERY OF DELEGATION FROM ANGUILLA

Madam Speaker: I would like to draw the attention of the House to the presence in our gallery of a delegation from Anguilla, consisting of the Chief Minister, Ronald Webster; the Hon. Franklin Connor, Financial Secretary, and the Hon. Victor Banks, Minister of Social Affairs.

Some hon. Members: Hear, hear!

* * *

THE BUDGET

EFFECT ON RETIREMENT INCOME OF FARMERS

Mr. Len Gustafson (Assiniboia): Madam Speaker, in the absence of the Minister of Finance I will ask the Minister of Agriculture a question. In regard to the cancellation of income annuities, particularly those of farmers, and the hardship that this has placed upon farmers in the sale of their farms, the sale of their cattle or the sale of their machinery, was the minister aware that his government was taking this action? If he was, what is he doing about it? Farmers are losing the only retirement plan they have.

Some hon. Members: Hear, hear!

Hon. E. F. Whelan (Minister of Agriculture): Madam Speaker, the hon. member knows full well, under the British parliamentary system, how a budget is developed.

Some hon. Members: How is that?

Mr. Crosbie: How?

Mr. Whelan: I will not say anything more about that.

An hon. Member: You never had that system going here.

Mr. Clark: You tell Vickers and Benson, but not the Minister of Agriculture.

Mr. Whelan: I have received representations earlier from the hon. member, and also from hon. members on this side, concerning this matter. I am sure the Minister of Finance has also received representations. We have prepared a presentation on that, along the lines of the representations made to us by many people. There has been deep concern expressed. My colleague, the Minister of Finance, has told the House that he will look at these representations, and I am sure that he will. He has already acted on some which have been made.

REQUEST THAT MINISTER MAKE REPRESENTATIONS TO CABINET

Mr. Len Gustafson (Assiniboia): Is the minister aware that he is a part of the cabinet and that he is a part of that government which should be doing something about the matter? Is he willing to make representations in that area, as well as in the area of capital gains, where the rollover of the family farm has become almost impossible under this latest budget?

Some hon. Members: Hear, hear!

Hon. E. F. Whelan (Minister of Agriculture): Madam Speaker, in response to the last statement made by the hon. member, to the effect that the roll-over of the family farm is almost impossible, we are the only nation in the world which allows a father and mother who happen to be the owners of a farm to turn that farm completely over to a son or daughter without any tax, if the son or daughter is to take over the operation of that farm. No other country in the world does that kind of thing. It is true that, if the farm is to be sold, there have been some changes in the capital gains—

Mr. Clark: Yes, there sure have.

Mr. Whelan: —in the taxation program for the farm, if it is being sold to a son or daughter. However, if the farm is just being given away, there is no problem whatsoever, because that is the law of the land.

Mr. Hnatyshyn: You are rolling over. That's the problem.

Mr. Whelan: The hon. member asks, "Are you aware of the fact that you are a member of the cabinet?" I am, because that law is one of the ones which is so beneficial to Canadian farms and Canadian farm families who have helped build those family farms. They are able to turn them over without paying for them again in the form of taxation. We have one of the best laws in the world.

REASONS FOR INCOME TAX CHANGES

Mr. Walter McLean (Waterloo): Madam Speaker, in the absence of the Minister of Finance from the House, my question is also directed to the Minister of State for Finance. The minister will be aware that the Minister of Finance, in his budget, has reduced tax rates for people in the highest tax brackets and, at the same time, has decided to tax long-term protection in life insurance policies, 70 per cent of which are held by those earning $20,000 or less per year.

Quite simply, my question to the minister is, why is the government taxing low-income people while giving tax breaks to those with higher income?

[*Translation*]

Hon. Pierre Bussières (Minister of State (Finance)): Madam Speaker, I think that the hon. member should pay more attention to the income tax tables or marginal rates and examine how they have been adjusted. They have been adjusted fairly, and the hon. member will recognize that the removal of taxation privileges in the budget will affect mostly those in higher-income brackets who in turn will have to pay more taxes. As for the income from a life insurance policy, which now becomes taxable, we consider this part of a life insurance policy as a savings instrument. The income produced by this savings instrument therefore becomes taxable. This proposal therefore aims at putting this savings instrument on the same level as any other.

[*English*]

EFFECT ON WORKERS RECEIVING HEALTH AND DENTAL INSURANCE BENEFITS

Mr. Walter McLean (Waterloo): Madam Speaker, out of one side of its mouth the government states that it is concerned for long-term protection for Canadians and calls pension conferences; however, from the other side it states that these vehicles will suddenly become investment vehicles. Will the minister explain to low-income Canadians why his budget proposes a punishing tax on workers who are eligible for employer paid health and dental insurance benefits? Will the minister tell the House why he is wiping out years of bargaining, with a tax which will cause many plans to be withdrawn or never installed?

[*Translation*]

Hon. Pierre Bussières (Minister of State (Finance)): Madam Speaker, I would invite the hon. member to reflect on the meaning of the word "equity". If we want to have a more equitable taxation system, we must ensure that people will pay taxes commensurate with their income. Obviously, a great many taxpayers cannot benefit from certain privileges in the same way as others do in our system. This creates distortions within the tax system, because of which a great many taxpayers pay proportionately more income tax than others who can avoid taxes because of all sorts of completely legitimate deductions allowed under our tax system. If we consider the system on the basis of equity, we want to make—

Madam Speaker: Order, please! I really have to ask the minister to try to reply more briefly.

* * *

[*English*]

LABOUR RELATIONS

RESULTS ACHIEVED IN DISCUSSIONS WITH REPRESENTATIVES OF CANADIAN LABOUR CONGRESS

Mr. Maurice Harquail (Restigouche): Madam Speaker, my question is directed to the Minister of Labour. As a result of the recent strident and half-witted remarks of the leader of the Canadian Labour Congress following the weekend rally on Parliament Hill, there have been a number of attempts made by that leadership to give the impression that the government is less than willing to meet with the CLC and openly to discuss

labour views and real concerns. The House is aware of the fact that a number of ministers met with representatives from the CLC two days prior to that demonstration, and that a number of Members of Parliament met on a regional basis, in the Atlantic and western regions, to discuss both sides. Could the minister indicate to the House what was achieved in terms of a better understanding of the views of one another in this regard?

Hon. Chas. L. Caccia (Minister of Labour): Madam Speaker, these meetings which were held at the request of the Canadian Labour Congress covered a number of topics, including the economy, mortgage rates, the employment situation, and the like. It would be fair to conclude that, while it was unfortunate that senior officials of the CLC were not present, the meetings ended with a mutual understanding and with a conclusion that both sides had the same objective, namely, that of bringing down interest rates and mortgage rates. Further, both sides came to the conclusion that frequent and regular meetings of this kind would be mutually beneficial.

* * *

● (1440)

POST OFFICE

PROPOSED INCREASE IN POSTAL RATES

Mr. Sid Parker (Kootenay East-Revelstoke): Madam Speaker, my question is directed to the former postmaster general, the Minister of Consumer and Corporate Affairs. Canadians will soon be facing a proposed 76 per cent increase in postal costs, having been given only a few months notice. The budget in more detail projects post office revenues and expenditures will be over $3 billion by 1985-1986, which is almost three times today's revenues.

Will the minister make a commitment to this House that he will strive to delay the implementation of the present 76 per cent rate increase until April of next year to permit planning by such entities as small business and charities, and further, will the minister work to ensure that no other increases are granted until the public is presented with a five-year postal rate forecast?

[*Translation*]

Hon. André Ouellet (Minister of Consumer and Corporate Affairs): Madam Speaker, I can advise the House that not only several organizations, but also several individuals have availed themselves of the consultation process which has been under way for the past few weeks to express their views, and that after the deadline in late December, the government will have to make a decision in light of the recommendations and suggestions that are now being received.

[*English*]

BUDGET PROJECTION OF INCREASED POSTAL REVENUES

Mr. Sid Parker (Kootenay East-Revelstoke): Madam Speaker, my supplementary question is also addressed to the former postmaster general. This increase and the estimate in the budget could foreseeably see post office mailing rates go to 60 cents or 70 cents within the next four years. Could the minister tell the House what rate for first-class postage was projected in the budget document to arrive at the figure that over $3 billion worth of revenue would be generated by the post office in 1985-1986?

[*Translation*]

Hon. André Ouellet (Minister of Consumer and Corporate Affairs): Madam Speaker, the hon. member who has been such a strong supporter of the bill to establish the Canada Post Corporation and to provide the directors of this corporation with more authority and administrative discretion, will certainly recognize that his question should be directed instead to the chairman and the board of directors of the new corporation. I shall be pleased, however, to forward his representations to the chairman.

* * *

[*English*]

PENSIONS

REQUEST FOR ASSISTANCE FOR ELDERLY WOMEN

Mr. Vince Dantzer (Okanagan North): Madam Speaker, I have a question for the Minister of National Health and Welfare, if I could get her attention. The minister will recall, as she was co-chairman of the National Pensions Conference, that the one thing upon which there was unanimous consent was that the most urgent problem in Canada was to assist the some 400,000 elderly women living in poverty. A recent report of the Ontario Status of Women Council has highlighted this national scandal. My question to the minister is simple. When is this government going to assist those 400,000 elderly women living in poverty?

Hon. Monique Bégin (Minister of National Health and Welfare): Madam Speaker, the exact same question was asked of me yesterday. My answer is, as soon as possible.

Mr. Siddon: That is not an answer at all.

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BANK OF CANADA

STATEMENT ON MONETARY POLICY

Hon. Alvin Hamilton (Qu'Appelle-Moose Mountain): Madam Speaker, my question is addressed to the Acting Prime Minister. In view of the significant statement on monetary policy made yesterday by the Bank of Canada, could the

Acting Prime Minister tell me whether the government was consulted before this policy statement was issued yesterday?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, I am sorry that I am unable to answer this question. The Minister of Finance will be here tomorrow, and I ask the hon. member to address his question to him then.

Mr. Clark: What do you do here?

Mr. Nielsen: You are the Acting Prime Minister. For heaven's sake, inform yourself.

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CANADIAN UNITY

REPORTED STATEMENTS BY PRIME MINISTER

Mr. Chuck Cook (North Vancouver-Burnaby): Madam Speaker, my question is for the minister whose responsibility covers the Canadian Unity Office. Last night in Vancouver the Prime Minister is reported to have said that "Vancouver is terribly unaware of the rest of the country". Madam Speaker, I would suggest that Vancouver is situated in a province which is the most aware in the country, because British Columbia sends no Liberals to this House.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Cook: The Prime Minister is also reported to have said that "British Columbia is like a consort who is always the last to know". In view of these insulting comments, is keeping the province of British Columbia in the dark a matter of government policy, or may we expect massive tax dollars to be spent by the Canadian Unity Office for advertising to correct the Prime Minister's incorrect assumption of our unawareness?

An hon. Member: More propaganda.

Hon. Jean Chrétien (Minister of Justice and Minister of State for Social Development): Madam Speaker, I would like to thank the hon. member for pointing out to the House how very useful it is for the government and for Parliament to have this office working for all of us.

* * *

AGRICULTURE

CONDITION OF RED MEAT INDUSTRY

Mr. G. M. Gurbin (Bruce-Grey): Madam Speaker, my question is for the Minister of Agriculture. Last month the Minister of Agriculture suggested that if his government did not bring forth measures to save the red meat industry within weeks, he would re-examine his position within cabinet. We have had a budget with Farm Credit Corporation changes that might help 235 farmers across Canada, a change in the Small Business Development Bond that increased rates 3 per cent to distressed farmers, and changes in capital gains that have cut the legs off the financial future of farmers.

Does the minister feel that he has provided "practical and workable" efforts as far as saving the red meat industry in Canada is concerned? Does the minister know that the measures that have been taken will ensure that within another year we will have hundreds if not thousands more farmers in trouble? In fact, already in Ontario a vigilante committee has been formed by farmers who are prepared to take militant action unless something is done.

An hon. Member: We do not want a marketing board.

Mr. Nielsen: String them up.

Mr. Jarvis: Tell us about the questionnaire now.

Mr. Crosbie: High noon, Gene.

Hon. E. F. Whelan (Minister of Agriculture): Madam Speaker, the hon. member and I attended a very nice meeting in his constituency not too many weeks ago. We are doing some of the very things that I said were needed to be done and that many people said were needed to be done. The Minister of Finance has seen fit to extend the Small Business Development Bond, which has no limitations on how much money is available. Much more money can be made available to the farmers who are in need of extra financing, or who need emergency financing, under this bond than I could ever provide under the provisions of the Farm Credit Corporation, because the lending institutions have tremendous amounts of money which they can loan out under the bond program.

There are some discussions going on about the suggested interest rate. I understand that the Minister of Finance is meeting with representatives of the lending institutions this coming Monday to explain all the criteria and just how this proposal will work.

The Farm Credit Corporation has outlined its program. The government is willing to work with the lending institutions to make sure that the money available is lent to those people who really need it. I have a two-person commission working on a program to try to outline some better marketing system for the red meat industry. The hon. member knows, as well as I do—

Mr. Crosbie: Order.

Some hon. Members: Order.

Mr. Whelan: —that you can give them all the money that you want but if they do not have a better marketing system they will go down the tube anyway.

[*Translation*]

FINANCE

EQUALIZATION PAYMENTS—CONSEQUENCE TO QUEBEC OF NEW FORMULA

Mr. Louis Duclos (Montmorency-Orléans): Madam Speaker, my question is for the Minister of State for Finance. In his budget speech, and earlier this week in Halifax, the Minister of Finance indicated that as of 1982, Ontario would be used as the norm to calculate the equalization payments made to have-not provinces. Could the minister indicate to the House what effect this change will have on the equalization payments made to Quebec as of 1982, and could he tell us whether it is true, as was suggested by the Quebec Minister of Finance, that such a change will prompt the federal government to promote Ontario's economic development inordinately?

Hon. Pierre Bussières (Minister of State (Finance)): Madam Speaker, I fail to understand the rationale of the statement of the Quebec Minister of Finance to the effect that to take Ontario as the norm for equalization purposes would prompt the federal government to give increasing support to Ontario's development. The federal government will use this yardstick to calculate what should be the revenue of a province eligible for equalization payments. That means that as Ontario develops, the amounts given by the federal government to eligible provinces would increase. Therefore, it would be in the federal government's interest that eligible provinces develop at a faster rate, because as their revenue increases and catches up with that of Ontario, it will not have to pay out so much in equalization payments. Therefore, I think Mr. Parizeau's argument should be turned around in order to understand exactly what the Ontario norm means.

* * *

● (1450)

[*English*]

McDONALD ROYAL COMMISSION

QUERY RESPECTING REPORT ABRIDGEMENTS

Mr. Donald W. Munro (Esquimalt-Saanich): Madam Speaker, my question is addressed to the Solicitor General. The Solicitor General, of course, will be aware that the McDonald commission report which is now in our hands has been very seriously abridged. We know why some of the abridgements took place, but could the minister tell us where those abridgements are, and will we eventually have an opportunity to examine them? Can he say that they will not disappear as one of the volumes of the Mackenzie King diaries did?

Hon. Bob Kaplan (Solicitor General): Madam Speaker, as members will know from the statements I made at the time, there is an editing process which took place in which less than 3 per cent of the substance of the report was deleted—

An hon. Member: Eighteen minutes?

Mr. Kaplan: —on the grounds of national security. I explained this at the time they were put forward. Perhaps the hon. member is referring to two chapters which have not been published because of the recommendation of the McDonald commission that they be referred to the relevant attorneys general of provinces, along with accompanying documents and other material, to permit attorneys general of those provinces and the federal Attorney General to make decisions about the possibility of laying charges.

I cannot inform the House yet when those decisions will be made. I have begun to get reaction from provincial attorneys general, but I have not had any firm decision made about them. The federal Attorney General still has the matter before him.

There was, in addition, an amount of material from the report that was referred to the Commissioner of the RCMP to make decisions about disciplinary charges. His work will be done and his decision will be made before the end of the year.

PREPARATION OF INDEX TO REPORT

Mr. Donald W. Munro (Esquimalt-Saanich): Madam Speaker, I was referring, of course, to all the material which was not made public. I do hope it is in safe hands and will not disappear.

In the meantime, I understand that there is some sort of computer record or index which would help one find one's way through the three volumes of the McDonald commission report. I was wondering whether any steps whatsoever are being taken by the minister's department to make sure that an index is prepared and made available to the public, so that they will be able to find their way through the McDonald report?

Hon. Bob Kaplan (Solicitor General): Madam Speaker, the report was not prepared by the Government of Canada. It was prepared by the McDonald commission, which was an independent royal commission established under the Inquiries Act. I do not know whether they worked with the kind of computer index to which the hon. member refers. I can look into that and find out if there is one which might be helpful to members and if the commissioners would agree to have it made public and report back to the hon. member.

* * *

EXTERNAL AFFAIRS

NICARAGUA—POSSIBLE GIFT OF CANADIAN FISHING VESSELS

Miss Pauline Jewett (New Westminster-Coquitlam): Madam Speaker, my question is directed to the Secretary of State for External Affairs. It concerns important developments taking place which will affect Canada's good relations with Nicaragua.

As the minister knows, since the *Andreas Mentor* is in Vancouver Harbour today loading the last of Canada's wheat aid for Nicaragua, as well as several thousand tons of fishing gear, office machines, and other aid donated generously by British Columbians—which rather contradicts the Prime Minister's assertions that British Columbians are parochial and self-centred—will the minister assure this House that, if and when the federal government buys back any more fishing vessels on the west coast, these vessels will be studied for their suitability for the needs of Nicaragua and, if found to be suitable, be passed on to Nicaragua as part of our assistance to that country?

Hon. Mark MacGuigan (Secretary of State for External Affairs): Madam Speaker, I have already announced a grant of $4.5 million in food aid for Nicaragua. We are in the process of planning other aid projects.

When hon. members raised the question, several weeks ago I believe, of the possibility of providing some of these vessels to Nicaragua, at that point we had not had any request from Nicaragua, but a request did arrive shortly afterwards. We do have that under consideration. We have already informed the Nicaraguans that the number of ships that they believed was available is not that, and we are not sure how valuable this would be, even if we could include this in our aid program. I would like to assure the hon. member that we will continue to scrutinize this.

Miss Jewett: I did realize that seven of the vessels that are remaining of the last buy-back are totally unsuitable. I am speaking of the next buy-back, which I understand is going to take place very soon, and I hope the minister will look into it immediately.

STATEMENTS MADE BY UNITED STATES AUTHORITIES

Miss Pauline Jewett (New Westminster-Coquitlam): As a supplementary question on a closely related matter, since many countries are most concerned about the United States administration's calling for the violent overthrow of the Nicaraguan government and possible military intervention in that country—the minister will have read that in the testimony in Washington this week of the U.S. Secretary of State—will the Canadian government express to Washington its grave concern about this escalating rhetoric and actual threats against that country?

Hon. Mark MacGuigan (Secretary of State for External Affairs): Madam Speaker, I do look forward to an early opportunity of discussing questions involving Central America with Secretary Haig.

I think that all of the reports that we have seen are highly speculative. Even the suggestions by the Secretary of State in the United States, and in the press, have been very speculative. We are certainly not anticipating any early United States action.

Miss Jewett: It is in his testimony.

Mr. MacGuigan: On the question of fishing boats, I can assure the hon. member that we will consider it fully, as she has suggested. Second, I will be discussing these problems in Central America with Secretary Haig.

* * *

PUBLIC SERVICE

HEALTH HAZARDS TO EMPLOYEES IN RESEARCH CENTRE

Hon. Walter Baker (Nepean-Carleton): Madam Speaker, my question is for the Minister of National Health and Welfare, with respect to the Sir Frederick Banting Building and the callous disregard by the government for the safety of its employees, by permitting them to work in hazardous conditions.

Would the minister tell us how a building such as the Sir Frederick Banting Building, which was not designed for the use of hazardous materials, could be used for that kind of handling? Could the minister also explain to the House why, with the knowledge of that inadequacy, the government permitted its public servants to continue to work there until they threatened to stop work? There must be an explanation for such callous neglect.

Hon. Monique Bégin (Minister of National Health and Welfare): Madam Speaker, the member, whom I invited with other local members to a meeting last Friday on that subject, as soon as all the facts were gathered asked the same question, and answers were provided to him by the senior officials who were present in my office.

The Sir Frederick Banting Building, which is one of my labs here in Ottawa, was designed and built in the early 1970s. Because we are new players, none of us in the department in that particular branch know exactly whose responsibility it is but, as I told the hon. member, I believe it is most important to make sure that all my labs in Canada are suitable for research and the handling of toxic materials. I have asked for a survey on that to be made immediately. In the meantime, the situation in the Sir Frederick Banting Building is being corrected and will be completed in two weeks.

EVACUATION OF PERSONNEL OFFICE

Hon. Walter Baker (Nepean-Carleton): Madam Speaker, the problem still goes on. Despite what the minister says, the personnel office of the Sir Frederick Banting Building had to be evacuated last Friday by the safety officer because of the smell. Yet there are reports that the venting has been completed. I ask the minister whether or not she is aware of this and, if she is not, would she please look into it? I can tell her that the problem is still continuing, and the apprehension is still there. There have been tests taken recently which indicated that inappropriate levels of toxic materials are still in the area and are being breathed by the people in that building.

● (1500)

Hon. Monique Bégin (Minister of National Health and Welfare): Madam Speaker, if the hon. member has any other specific requests I would want to note them myself if possible. The answer to this one is yes, I am aware of the problem. Yes, there were unpleasant odours, but the measurement of the toxicity of those odours was below the ceiling which is acceptable to protect the health of people. It was in fact so low that it was hardly measurable, so from a scientific viewpoint the situation seems to be under control, but we are investigating these abnormalities.

* * *

EMPLOYMENT

PROPOSED ESTABLISHMENT OF INDUSTRIAL LABOUR MARKET INSTITUTE

Hon. David Crombie (Rosedale): Madam Speaker, my question is directed to the Minister of Employment and Immigration. The minister has on his desk a proposal for the establishment of a national industrial labour market institute. He has had the proposal on his desk for some time, and I am sure he is aware that the purpose of that institute would be to pinpoint skilled labour needs and to map out strategies for meeting those needs. It is supported by the Canadian Labour Congress and by the Business Council on National Issues. I would like to ask the minister why he is taking so long to support it.

Hon. Lloyd Axworthy (Minister of Employment and Immigration): Madam Speaker, the hon. member is not quite accurate in saying it is sitting on my desk. In fact the matter is the subject of active exchanges between members of the CLC, the Business Council and officials of my office. I met with senior officials of those two organizations about three weeks ago. We looked at the application in principle, and we then set up a steering committee composed of officials of my department and of those two organizations to look at the details of those proposals.

I expect a report from the steering group within about a week or so, at which time I will have another meeting with the CLC and the Business Council on what I consider to be a very important proposal.

* * *

[*Translation*]

TEXTILES AND CLOTHING

INQUIRY WHEN CANADIAN OFFICE FOR RENEWAL OF INDUSTRY WILL BE IN A POSITION TO HELP SMALL BUSINESS

Mr. Normand Lapointe (Beauce): Madam Speaker, my question is directed to the Minister of State for Small Businesses and Tourism. Considering the forthcoming negotiations and the present agreements on restrictions with respect to the textile and clothing industry, and considering the great concern expressed by so many workers in this industry regarding the future of their companies, perhaps the minister could inform the House when the Canadian Industrial Renewal Board will be able to respond to requests for assistance from established businesses in this sector which are having to face increasing international competition.

Hon. Charles Lapointe (Minister of State (Small Businesses and Tourism)): Madam Speaker, in my opinion, the policy on textiles and clothing announced a few months ago, the special fund of $250 million and the extension of protective measures with respect to imports will help the textile and clothing industry not only to survive but to modernize their plant and seek out new markets with the expectation of a more promising future.

The Industrial Renewal Board started operations this week, and this morning I was informed that a number of applications had already been received by the board. The director general informed me that we are now examining these applications, which will be processed as soon as possible.

* * *

[*English*]

PETITION

MR. WENMAN—EFFECTS OF HIGH MORTGAGE INTEREST RATES

Madam Speaker: I have the honour to inform the House that the Clerk of the House has laid upon the Table the one hundred and thirty-fifth report of the Clerk of Petitions stating that he has examined the petition presented by the hon. member for Fraser Valley West (Mr. Wenman) on Tuesday, November 24, 1981 and finds that it meets the requirements of the Standing Orders as to form.

* * *

PRIVILEGE

MR. FULTON—THE CONSTITUTION—ALLEGED INACCURACY IN TRANSLATION OF AMENDMENT TO RESOLUTION

Mr. Jim Fulton (Skeena): Madam Speaker, I rise on a question of privilege. My question of privilege arises from the amendment put before the House yesterday by the Minister of Indian Affairs and Northern Development (Mr. Munro) regarding the rights of the aboriginal peoples of Canada. The words he read into the record are the following:

35. (1) The existing aboriginal and treaty rights of the aboriginal peoples of Canada are hereby recognized and affirmed.

However, the translated words tabled by the minister are the following:

35. (1) Les droits existants—ancestraux ou issus de traités—des peuples autochtones du Canada sont confirmés.

That is a terribly inaccurate translation of the English words. What I am going to ask of you, Madam Speaker, is

that you rule both on the facts I put before you and also the law.

This being an amendment which could be in the Constitution of Canada, it is extremely important that the legal principles which are articulated in the English language are articulated in the French language as well. What is left out in the French is the legal concept or recognition. I have checked with some scholars of the French language who say the section should read:

Les droits aborigènes ou issus de traités des peuples autochtones du Canada sont par les présentes reconnus et confirmés.

I ask Your Honour to take steps to inquire into the accurate translation of the English spoken into the record yesterday and tabled by the Minister of Indian Affairs and Northern Development. I ask Your Honour to inquire into that translation and to provide the appropriate and accurate translation of those words so that the legal significance which is there in the English is provided in the French text.

Since it is part of the Constitution, it will go before the courts and before legislatures, and I think it would be very improper for this House to pass something that has such a tragic inaccuracy in it.

Madam Speaker: I am afraid I have to tell the hon. member that this is neither privilege nor order. The Chair is not competent to determine whether a translation is correct or whether two texts are equivalent. Sometimes it is a matter of translation, but there is also the matter of the equivalency of texts, and it is not for the Chair to determine that either under order or privilege. If the hon. member feels he has a point, the proper way to deal with it would be to propose an amendment to the motion in order to have the text changed. That would be the proper course to follow, and I invite the hon. member to do just that.

ROUTINE PROCEEDINGS

[*English*]

PETITION

MRS. MITCHELL—THE CONSTITUTION—REQUEST FOR DELETION OF SECTION 33 OF CHARTER

Mrs. Margaret Mitchell (Vancouver East): Madam Speaker, it is my duty to present a petition to the House sponsored by the Ad Hoc Committee of Canadian Women on the Constitution. This petition asks for the removal of the override section, Section 33, from the Charter of Rights and Freedoms. It is the hope of Canadian women that members of Parliament will delete the shockingly regressive Section 33 in order to guarantee that basic rights and freedoms—and 25 of them are listed—cannot be violated by the provinces or the federal government.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, the following questions will be answered today: Nos. 2,326, 2,956 and 3,309.

[*Text*]

MR. A. E. MASTERS

Question No. 2,326—**Mr. Crosby:**

Is Mr. A. E. Masters, president of the Maritime Employers Association, also a member of the Montreal Port Authority and, if so, does the government consider that the holding of the office of the president of the Maritime Employers Association plus membership in the Montreal Port Authority might result in a conflict of interest in respect of the different interests of the port of Montreal and the port of Halifax?

Hon. Jean-Luc Pepin (Minister of Transport): The National Harbours Board advises as follows: Mr. Masters has been a member of the Montreal Port Authority since it was established as an advisory body. The Port Authority membership includes representatives from both labour and employers, and Mr. Masters' knowledge and expertise in labour matters associated with shipping is considered an asset in providing advice to those responsible for management at the port of Montreal.

PROFESSIONAL AND SPECIAL SERVICES CONTRACTS

Question No. 2,956—**Mr. Clarke:**

With reference to Section 32 of the 1979-80 Public Accounts of Canada, under what authority has the limit for enumeration of professional and special services contracts been raised from $2,000 to $25,000 and what rationale was used in making this twelvefold increase?

Hon. J.-J. Blais (Minister of Supply and Services): The office of the Comptroller General authorized the limit increase for the enumeration of professional and special services contracts, from $2,000 to $25,000. This was done after the office of the Comptroller General consulted with the Departments of Finance and Supply and Services.

This increase in the limit was requested by the Department of Supply and Services in order to reduce the costs of preparing and printing the public accounts as well as the costs incurred by departments in preparing their input to the accounts. As a result of the increase in limit, departments do not provide information on contracts between $2,000 to $25,000, but only $25,000 and over.

Motions for Papers

JOB PLACEMENTS IN CANADA

Question No. 3,309—**Mr. Herbert:**

What percentage of all job placements in Canada, by province and for the last complete year for which statistics are available, were placed by the Department of Employment and Immigration?

Hon. Lloyd Axworthy (Minister of Employment and Immigration): The Canada Employment and Immigration Commission does not have data on all placements made in Canada. However, placements made by the commission in response to job orders from employers numbered 1,045,181 for the fiscal year 1980-81. The breakdown by province is as follows:

Province	Placements
Newfoundland	28,953
Nova Scotia	46,999
Prince Edward Island	8,009
New Brunswick	35,049
Quebec	217,333
Ontario	357,252
Manitoba	42,021
Saskatchewan	39,662
Alberta/N.W.T.	110,322
British Columbia/Yukon T.	159,581
Canada total	1,045,181

[*English*]

Madam Speaker: The questions enumerated by the parliamentary secretary have been answered.

* * *

QUESTION PASSED AS ORDER FOR RETURN

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, if question No. 532 could be made an order for return, this return would be tabled immediately.

Madam Speaker: Is it the pleasure of the House that question No. 532 be deemed to have been made an order for return?

Some hon. Members: Agreed.

[*Text*]

BUDGET ALLOCATIONS FOR EACH DEPARTMENT AND AGENCY

Question No. 532—**Mr. Orlikow:**

1. For each department and agency, what was the total budget allocation for (a) all persons employed (b) casual (c) term casual (d) other temporary employees, for the fiscal years 1977-78 and 1978-79?

2. In each case, what amount of the budget was spent at the end of each fiscal year?

Return tabled.

[*English*]

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

Madam Speaker: Shall the remaining questions stand?

Some hon. Members: Agreed.

* * *

MOTIONS FOR PAPERS

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, I ask that there be consent that all notices of motions for the production of papers be allowed to stand.

Mr. Herbert: Madam Speaker, I rise on a point of order. I wonder if I can draw the attention of the parliamentary secretary to notice of motion for the production of papers No. 34, which has been on the Order Paper for a year. When I inquired of the department why these papers were not being produced, I was told that the department was awaiting a report from the subcommittee of the Standing Committee on External Affairs and National Defence. I feel that perhaps the subcommittee of the Standing Committee on External Affairs and National Defence might like to have these papers in advance of making its report. I wonder if the parliamentary secretary would inquire.

Mr. Smith: Madam Speaker, I will take note of the hon. member's representation and make inquiries.

• (1510)

Mr. Cossitt: Madam Speaker, if I am in error I apologize to the parliamentary secretary, but I do not think I heard him say he was answering question No. 30 today. If I am correct, I would like to raise a point of order.

That question has been on the Order Paper for over five and a half years. It asks the question, as I have repeated to the House on a previous point of order, how many members of the Canadian Transport Commission, their wives, employees and so on have passes on Air Canada. There is a direct conflict of interest when someone who is regulating Air Canada receives free transportation, free gravy, from Air Canada.

For five and a half years the government has persisted in saying the question will be answered soon. The parliamentary secretary's predecessors frequently gave the answer "soon". I do not know this government's definition of the word "soon", but to me it means a week or two weeks, not five and a half years.

Every time I raise this matter, I get statistics about how many of my questions have been answered. I know the parliamentary secretary has accused me of loading up the Order Paper, not being diligent and all kinds of fancy things. I do not mind those accusations. They are not true, so what does it matter? My point is, and I think I have a fair accusation to make, that the question has not been answered for five and a half years. When are we going to get more than gobbledygook, such as we will get when I sit down? I know we will get more gobbledygook. I hope I am wrong. Can the parliamentary

secretary tell us when I will be told who in the Canadian Transport Commission is getting free gravy from Air Canada, and why?

Mr. Smith: Madam Speaker, I remind the hon. member that this question was on the Order Paper during the entire length of the Clark government and was not answered at that time. In response to the hon. member's inquiry, I would say soon.

Some hon. Members: Oh, oh!

GOVERNMENT ORDERS

[*English*]

THE CONSTITUTION

RESOLUTION RESPECTING CONSTITUTION ACT, 1981

The House resumed, from Tuesday, November 24, consideration of the motion of Mr. Chrétien:

THAT, WHEREAS in the past certain amendments to the Constitution of Canada have been made by the Parliament of the United Kingdom at the request and with the consent of Canada;

AND WHEREAS it is in accord with the status of Canada as an independent state that Canadians be able to amend their Constitution in Canada in all respects;

AND WHEREAS it is also desirable to provide in the Constitution of Canada for the recognition of certain fundamental rights and freedoms and to make other amendments to that Constitution;

A respectful address be presented to Her Majesty the Queen in the following words:

To the Queen's Most Excellent Majesty:
Most Gracious Sovereign:

We, Your Majesty's loyal subjects, the House of Commons of Canada in Parliament assembled, respectfully approach Your Majesty, requesting that you may graciously be pleased to cause to be laid before the Parliament of the United Kingdom a measure containing the recitals and clauses hereinafter set forth:

CONSIDÉRANT :
que le Parlement du Royaume-Uni a modifié à plusieurs reprises la Constitution du Canada à la demande et avec le consentement de celui-ci;

que, de par le statut d'État indépendant du Canada, il est légitime que les Canadiens aient tout pouvoir pour modifier leur Constitution au Canada;

qu'il est souhaitable d'inscrire dans la Constitution du Canada la reconnaissance de certains droits et libertés fondamentaux et d'y apporter d'autres modifications,

il est proposé que soit présentée respectueusement à Sa Majesté la Reine l'adresse dont la teneur suit :

A Sa Très Excellente Majesté la Reine,
Très Gracieuse Souveraine :

Nous, membres de la Chambre des communes du Canada réunis en Parlement, fidèles sujets de Votre Majesté, demandons respectueusement à Votre Très Gracieuse Majesté de bien vouloir faire déposer devant le Parlement du Royaume-Uni un projet de loi ainsi conçu :

ANNEXE A—SCHEDULE A

An Act to give effect to a request by the Senate and House of Commons of Canada

Loi donnant suite à une demande du Sénat et de la Chambre des communes du Canada

Whereas Canada has requested and consented to the enactment of an Act of the Parliament of the United Kingdom to give effect to the provisions hereinafter set forth and the Senate and the House of Commons of Canada in Parliament assembled have submitted an address to Her Majesty requesting that Her Majesty may graciously be pleased to cause a Bill to be laid before the Parliament of the United Kingdom for that purpose.

Sa Très Excellente Majesté la Reine, considérant :

qu'à la demande et avec le consentement du Canada, le Parlement du Royaume-Uni est invité à adopter une loi visant à donner effet aux dispositions énoncées ci-après et que le Sénat et la Chambre des communes du Canada réunis en Parlement ont présenté une adresse demandant à Sa Très Gracieuse Majesté de bien vouloir faire déposer devant le Parlement du Royaume-Uni un projet de loi à cette fin,

Be it therefore enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:

sur l'avis et du consentement des Lords spirituels et temporels et des Communes réunis en Parlement, et par l'autorité de celui-ci, édicte :

Constitution Act, 1981 enacted

1. The *Constitution Act, 1981* set out in Schedule B to this Act is hereby enacted for and shall have the force of law in Canada and shall come into force as provided in that Act.

1. La *Loi constitutionnelle de 1981*, énoncée à l'annexe B, est édictée pour le Canada et y a force de loi. Elle entre en vigueur conformément à ses dispositions.

Adoption de la *Loi constitutionnelle de 1981*

Termination of power to legislate for Canada

2. No Act of the Parliament of the United Kingdom passed after the *Constitution Act, 1981* comes into force shall extend to Canada as part of its law.

2. Les lois adoptées par le Parlement du Royaume-Uni après l'entrée en vigueur de la *Loi constitutionnelle de 1981* ne font pas partie du droit du Canada.

Cessation du pouvoir de légiférer pour le Canada

French version

3. So far as it is not contained in Schedule B, the French version of this Act is set out in Schedule A to this Act and has the same authority in Canada as the English version thereof.

3. La partie de la version française de la présente loi qui figure à l'annexe A a force de loi au Canada au même titre que la version anglaise correspondante.

Version française

Short title

4. This Act may be cited as the *Canada Act*.

4. Titre abrégé de la présente loi : *Loi sur le Canada*.

Titre abrégé

SCHEDULE B

CONSTITUTION ACT, 1981

PART I

CANADIAN CHARTER OF RIGHTS AND FREEDOMS

Whereas Canada is founded upon principles that recognize the supremacy of God and the rule of law:

Guarantee of Rights and Freedoms

Rights and freedoms in Canada

1. The *Canadian Charter of Rights and Freedoms* guarantees the rights and freedoms set out in it subject only to such reasonable limits prescribed by law as can be demonstrably justified in a free and democratic society.

Fundamental Freedoms

Fundamental freedoms

2. Everyone has the following fundamental freedoms:

(*a*) freedom of conscience and religion;

(*b*) freedom of thought, belief, opinion and expression, including freedom of the press and other media of communication;

(*c*) freedom of peaceful assembly; and

(*d*) freedom of association.

Democratic Rights

Democratic rights of citizens

3. Every citizen of Canada has the right to vote in an election of members of the House of Commons or of a legislative assembly and to be qualified for membership therein.

Maximum duration of legislative bodies

4. (1) No House of Commons and no legislative assembly shall continue for longer than five years from the date fixed for the return of the writs at a general election of its members.

Continuation in special circumstances

(2) In time of real or apprehended war, invasion or insurrection, a House of Commons may be continued by Parliament and a legislative assembly may be continued by the legislature beyond five years if such continuation is not opposed by the votes of more than one-third of the members of the House

ANNEXE B

LOI CONSTITUTIONNELLE DE 1981

PARTIE I

CHARTE CANADIENNE DES DROITS ET LIBERTÉS

Attendu que le Canada est fondé sur des principes qui reconnaissent la suprématie de Dieu et la primauté du droit :

Garantie des droits et libertés

Droits et libertés au Canada

1. La *Charte canadienne des droits et libertés* garantit les droits et libertés qui y sont énoncés. Ils ne peuvent être restreints que par une règle de droit, dans des limites qui soient raisonnables et dont la justification puisse se démontrer dans le cadre d'une société libre et démocratique.

Libertés fondamentales

Libertés fondamentales

2. Chacun a les libertés fondamentales suivantes :

a) liberté de conscience et de religion;

b) liberté de pensée, de croyance, d'opinion et d'expression, y compris la liberté de la presse et des autres moyens de communication;

c) liberté de réunion pacifique;

d) liberté d'association.

Droits démocratiques

Droits démocratiques des citoyens

3. Tout citoyen canadien a le droit de vote et est éligible aux élections législatives fédérales ou provinciales.

Mandat maximal des assemblées

4. (1) Le mandat maximal de la Chambre des communes et des assemblées législatives est de cinq ans à compter de la date fixée pour le retour des brefs relatifs aux élections générales correspondantes.

Prolongations spéciales

(2) Le mandat de la Chambre des communes ou celui d'une assemblée législative peut être prolongé respectivement par le Parlement ou par la législature en question au-delà de cinq ans en cas de guerre, d'invasion ou d'insurrection, réelles ou appréhendées, pourvu que cette prolongation ne fasse pas

of Commons or the legislative assembly, as the case may be.

l'objet d'une opposition exprimée par les voix de plus du tiers des députés de la Chambre des communes ou de l'assemblée législative.

Annual sitting of legislative bodies

5. There shall be a sitting of Parliament and of each legislature at least once every twelve months.

Séance annuelle

5. Le Parlement et les législatures tiennent une séance au moins une fois tous les douze mois.

Mobility Rights

Liberté de circulation et d'établissement

Mobility of citizens

6. (1) Every citizen of Canada has the right to enter, remain in and leave Canada.

Liberté de circulation

6. (1) Tout citoyen canadien a le droit de demeurer au Canada, d'y entrer ou d'en sortir.

Rights to move and gain livelihood

(2) Every citizen of Canada and every person who has the status of a permanent resident of Canada has the right

(*a*) to move to and take up residence in any province; and

(*b*) to pursue the gaining of a livelihood in any province.

Liberté d'établissement

(2) Tout citoyen canadien et toute personne ayant le statut de résident permanent au Canada ont le droit :

a) de se déplacer dans tout le pays et d'établir leur résidence dans toute province;

b) de gagner leur vie dans toute province.

Limitation

(3) The rights specified in subsection (2) are subject to

(*a*) any laws or practices of general application in force in a province other than those that discriminate among persons primarily on the basis of province of present or previous residence; and

(*b*) any laws providing for reasonable residency requirements as a qualification for the receipt of publicly provided social services.

Restriction

(3) Les droits mentionnés au paragraphe (2) sont subordonnés :

a) aux lois et usages d'application générale en vigueur dans une province donnée, s'ils n'établissent entre les personnes aucune distinction fondée principalement sur la province de résidence antérieure ou actuelle;

b) aux lois prévoyant de justes conditions de résidence en vue de l'obtention des services sociaux publics.

Affirmative action programs

(4) Subsections (2) and (3) do not preclude any law, program or activity that has as its object the amelioration in a province of conditions of individuals in that province who are socially or economically disadvantaged if the rate of employment in that province is below the rate of employment in Canada.

Programmes de promotion sociale

(4) Les paragraphes (2) et (3) n'ont pas pour objet d'interdire les lois, programmes ou activités destinés à améliorer, dans une province, la situation d'individus défavorisés socialement ou économiquement, si le taux d'emploi dans la province est inférieur à la moyenne nationale.

Legal Rights

Garanties juridiques

Life, liberty and security of person

7. Everyone has the right to life, liberty and security of the person and the right not to be deprived thereof except in accordance with the principles of fundamental justice.

Vie, liberté et sécurité

7. Chacun a droit à la vie, à la liberté et à la sécurité de sa personne; il ne peut être porté atteinte à ce droit qu'en conformité avec les principes de justice fondamentale.

Search or seizure

8. Everyone has the right to be secure against unreasonable search or seizure.

Fouilles, perquisitions ou saisies

8. Chacun a droit à la protection contre les fouilles, les perquisitions ou les saisies abusives.

Detention or imprisonment

9. Everyone has the right not to be arbitrarily detained or imprisoned.

Détention ou emprisonnement

9. Chacun a droit à la protection contre la détention ou l'emprisonnement arbitraires.

The Constitution

Arrest or detention

10. Everyone has the right on arrest or detention

(*a*) to be informed promptly of the reasons therefor;

(*b*) to retain and instruct counsel without delay and to be informed of that right; and

(*c*) to have the validity of the detention determined by way of *habeas corpus* and to be released if the detention is not lawful.

Proceedings in criminal and penal matters

11. Any person charged with an offence has the right

(*a*) to be informed without unreasonable delay of the specific offence;

(*b*) to be tried within a reasonable time;

(*c*) not to be compelled to be a witness in proceedings against that person in respect of the offence;

(*d*) to be presumed innocent until proven guilty according to law in a fair and public hearing by an independent and impartial tribunal;

(*e*) not to be denied reasonable bail without just cause;

(*f*) except in the case of an offence under military law tried before a military tribunal, to the benefit of trial by jury where the maximum punishment for the offence is imprisonment for five years or a more severe punishment;

(*g*) not to be found guilty on account of any act or omission unless, at the time of the act or omission, it constituted an offence under Canadian or international law or was criminal according to the general principles of law recognized by the community of nations;

(*h*) if finally acquitted of the offence, not to be tried for it again and, if finally found guilty and punished for the offence, not to be tried or punished for it again; and

(*i*) if found guilty of the offence and if the punishment for the offence has been varied between the time of commission and the time of sentencing, to the benefit of the lesser punishment.

Arrestation ou détention

10. Chacun a le droit, en cas d'arrestation ou de détention :

a) d'être informé dans les plus brefs délais des motifs de son arrestation ou de sa détention;

b) d'avoir recours sans délai à l'assistance d'un avocat et d'être informé de ce droit;

c) de faire contrôler, par *habeas corpus,* la légalité de sa détention et d'obtenir, le cas échéant, sa libération.

Affaires criminelles et pénales

11. Tout inculpé a le droit :

a) d'être informé sans délai anormal de l'infraction précise qu'on lui reproche;

b) d'être jugé dans un délai raisonnable;

c) de ne pas être contraint de témoigner contre lui-même dans toute poursuite intentée contre lui pour l'infraction qu'on lui reproche;

d) d'être présumé innocent tant qu'il n'est pas déclaré coupable, conformément à la loi, par un tribunal indépendant et impartial à l'issue d'un procès public et équitable;

e) de ne pas être privé sans juste cause d'une mise en liberté assortie d'un cautionnement raisonnable;

f) sauf s'il s'agit d'une infraction relevant de la justice militaire, de bénéficier d'un procès avec jury lorsque la peine maximale prévue pour l'infraction dont il est accusé est un emprisonnement de cinq ans ou une peine plus grave;

g) de ne pas être déclaré coupable en raison d'une action ou d'une omission qui, au moment où elle est survenue, ne constituait pas une infraction d'après le droit interne du Canada ou le droit international et n'avait pas de caractère criminel d'après les principes généraux de droit reconnus par l'ensemble des nations;

h) d'une part de ne pas être jugé de nouveau pour une infraction dont il a été définitivement acquitté, d'autre part de ne pas être jugé ni puni de nouveau pour une infraction dont il a été définitivement déclaré coupable et puni;

i) de bénéficier de la peine la moins sévère, lorsque la peine qui sanctionne l'infraction dont il est déclaré coupable est

modifiée entre le moment de la perpétration de l'infraction et celui de la sentence.

Treatment or punishment

12. Everyone has the right not to be subjected to any cruel and unusual treatment or punishment.

12. Chacun a droit à la protection contre tous traitements ou peines cruels et inusités.

Cruauté

Self-crimination

13. A witness who testifies in any proceedings has the right not to have any incriminating evidence so given used to incriminate that witness in any other proceedings, except in a prosecution for perjury or for the giving of contradictory evidence.

13. Chacun a droit à ce qu'aucun témoignage incriminant qu'il donne ne soit utilisé pour l'incriminer dans d'autres procédures, sauf lors de poursuites pour parjure ou pour témoignages contradictoires.

Témoignage incriminant

Interpreter

14. A party or witness in any proceedings who does not understand or speak the language in which the proceedings are conducted or who is deaf has the right to the assistance of an interpreter.

14. La partie ou le témoin qui ne peuvent suivre les procédures, soit parce qu'ils ne comprennent pas ou ne parlent pas la langue employée, soit parce qu'ils sont atteints de surdité, ont droit à l'assistance d'un interprète.

Interprète

Equality Rights

Droits à l'égalité

Equality before and under law and equal protection and benefit of law

15. (1) Every individual is equal before and under the law and has the right to the equal protection and equal benefit of the law without discrimination and, in particular, without discrimination based on race, national or ethnic origin, colour, religion, sex, age or mental or physical disability.

15. (1) La loi ne fait acception de personne et s'applique également à tous, et tous ont droit à la même protection et au même bénéfice de la loi, indépendamment de toute discrimination, notamment des discriminations fondées sur la race, l'origine nationale ou ethnique, la couleur, la religion, le sexe, l'âge ou les déficiences mentales ou physiques.

Égalité devant la loi, égalité de bénéfice et protection égale de la loi

Affirmative action programs

(2) Subsection (1) does not preclude any law, program or activity that has as its object the amelioration of conditions of disadvantaged individuals or groups including those that are disadvantaged because of race, national or ethnic origin, colour, religion, sex, age or mental or physical disability.

(2) Le paragraphe (1) n'a pas pour effet d'interdire les lois, programmes ou activités destinés à améliorer la situation d'individus ou de groupes défavorisés, notamment du fait de leur race, de leur origine nationale ou ethnique, de leur couleur, de leur religion, de leur sexe, de leur âge ou de leurs déficiences mentales ou physiques.

Programmes de promotion sociale

Official Languages of Canada

Langues officielles du Canada

Official languages of Canada

16. (1) English and French are the official languages of Canada and have equality of status and equal rights and privileges as to their use in all institutions of the Parliament and government of Canada.

16. (1) Le français et l'anglais sont les langues officielles du Canada; ils ont un statut et des droits et privilèges égaux quant à leur usage dans les institutions du Parlement et du gouvernement du Canada.

Langues officielles du Canada

Official languages of New Brunswick

(2) English and French are the official languages of New Brunswick and have equality of status and equal rights and privileges as to their use in all institutions of the

(2) Le français et l'anglais sont les langues officielles du Nouveau-Brunswick; ils ont un statut et des droits et privilèges égaux quant à leur usage dans les institutions de la Légis-

Langues officielles du Nouveau-Brunswick

legislature and government of New Brunswick.

lature et du gouvernement du Nouveau-Brunswick.

Advancement of status and use

(3) Nothing in this Charter limits the authority of Parliament or a legislature to advance the equality of status or use of English and French.

(3) La présente charte ne limite pas le pouvoir du Parlement et des législatures de favoriser la progression vers l'égalité de statut ou d'usage du français et de l'anglais.

Progression vers l'égalité

Proceedings of Parliament

17. (1) Everyone has the right to use English or French in any debates and other proceedings of Parliament.

17. (1) Chacun a le droit d'employer le français ou l'anglais dans les débats et travaux du Parlement.

Travaux du Parlement

Proceedings of New Brunswick legislature

(2) Everyone has the right to use English or French in any debates and other proceedings of the legislature of New Brunswick.

(2) Chacun a le droit d'employer le français ou l'anglais dans les débats et travaux de la Législature du Nouveau-Brunswick.

Travaux de la Législature du Nouveau-Brunswick

Parliamentary statutes and records

18. (1) The statutes, records and journals of Parliament shall be printed and published in English and French and both language versions are equally authoritative.

18. (1) Les lois, les archives, les comptes rendus et les procès-verbaux du Parlement sont imprimés et publiés en français et en anglais, les deux versions des lois ayant également force de loi et celles des autres documents ayant même valeur.

Documents parlementaires

New Brunswick statutes and records

(2) The statutes, records and journals of the legislature of New Brunswick shall be printed and published in English and French and both language versions are equally authoritative.

(2) Les lois, les archives, les comptes rendus et les procès-verbaux de la Législature du Nouveau-Brunswick sont imprimés et publiés en français et en anglais, les deux versions des lois ayant également force de loi et celles des autres documents ayant même valeur.

Documents de la Législature du Nouveau-Brunswick

Proceedings in courts established by Parliament

19. (1) Either English or French may be used by any person in, or in any pleading in or process issuing from, any court established by Parliament.

19. (1) Chacun a le droit d'employer le français ou l'anglais dans toutes les affaires dont sont saisis les tribunaux établis par le Parlement et dans tous les actes de procédure qui en découlent.

Procédures devant les tribunaux établis par le Parlement

Proceedings in New Brunswick courts

(2) Either English or French may be used by any person in, or in any pleading in or process issuing from, any court of New Brunswick.

(2) Chacun a le droit d'employer le français ou l'anglais dans toutes les affaires dont sont saisis les tribunaux du Nouveau-Brunswick et dans tous les actes de procédure qui en découlent.

Procédures devant les tribunaux du Nouveau-Brunswick

Communications by public with federal institutions

20. (1) Any member of the public in Canada has the right to communicate with, and to receive available services from, any head or central office of an institution of the Parliament or government of Canada in English or French, and has the same right with respect to any other office of any such institution where

(*a*) there is a significant demand for communications with and services from that office in such language; or

20. (1) Le public a, au Canada, droit à l'emploi du français ou de l'anglais pour communiquer avec le siège ou l'administration centrale des institutions du Parlement ou du gouvernement du Canada ou pour en recevoir les services; il a le même droit à l'égard de tout autre bureau de ces institutions là où, selon le cas :

a) l'emploi du français ou de l'anglais fait l'objet d'une demande importante;

b) l'emploi du français et de l'anglais se justifie par la vocation du bureau.

Communications entre les administrés et les institutions fédérales

(*b*) due to the nature of the office, it is reasonable that communications with and services from that office be available in both English and French.

Communications by public with New Brunswick institutions

(2) Any member of the public in New Brunswick has the right to communicate with, and to receive available services from, any office of an institution of the legislature or government of New Brunswick in English or French.

(2) Le public a, au Nouveau-Brunswick, droit à l'emploi du français ou de l'anglais pour communiquer avec tout bureau des institutions de la législature ou du gouvernement ou pour en recevoir les services.

Communications entre les administrés et les institutions du Nouveau-Brunswick

Continuation of existing constitutional provisions

21. Nothing in sections 16 to 20 abrogates or derogates from any right, privilege or obligation with respect to the English and French languages, or either of them, that exists or is continued by virtue of any other provision of the Constitution of Canada.

21. Les articles 16 à 20 n'ont pas pour effet, en ce qui a trait à la langue française ou anglaise ou à ces deux langues, de porter atteinte aux droits, privilèges ou obligations qui existent ou sont maintenus aux termes d'une autre disposition de la Constitution du Canada.

Maintien en vigueur de certaines dispositions

Rights and privileges preserved

22. Nothing in sections 16 to 20 abrogates or derogates from any legal or customary right or privilege acquired or enjoyed either before or after the coming into force of this Charter with respect to any language that is not English or French.

22. Les articles 16 à 20 n'ont pas pour effet de porter atteinte aux droits et privilèges, antérieurs ou postérieurs à l'entrée en vigueur de la présente charte et découlant de la loi ou de la coutume, des langues autres que le français ou l'anglais.

Droits préservés

Minority Language Educational Rights

Droits à l'instruction dans la langue de la minorité

Language of instruction

23. (1) Citizens of Canada

(*a*) whose first language learned and still understood is that of the English or French linguistic minority population of the province in which they reside, or

(*b*) who have received their primary school instruction in Canada in English or French and reside in a province where the language in which they received that instruction is the language of the English or French linguistic minority population of the province,

have the right to have their children receive primary and secondary school instruction in that language in that province.

23. (1) Les citoyens canadiens :

a) dont la première langue apprise et encore comprise est celle de la minorité francophone ou anglophone de la province où ils résident,

b) qui ont reçu leur instruction, au niveau primaire, en français ou en anglais au Canada et qui résident dans une province où la langue dans laquelle ils ont reçu cette instruction est celle de la minorité francophone ou anglophone de la province,

ont, dans l'un ou l'autre cas, le droit d'y faire instruire leurs enfants, aux niveaux primaire et secondaire, dans cette langue.

Langue d'instruction

Continuity of language instruction

(2) Citizens of Canada of whom any child has received or is receiving primary or secondary school instruction in English or French in Canada, have the right to have all their children receive primary and secondary school instruction in the same language.

(2) Les citoyens canadiens dont un enfant a reçu ou reçoit son instruction, au niveau primaire ou secondaire, en français ou en anglais au Canada ont le droit de faire instruire tous leurs enfants, aux niveaux primaire et secondaire, dans la langue de cette instruction.

Continuité d'emploi de la langue d'instruction

The Constitution

Application where numbers warrant

(3) The right of citizens of Canada under subsections (1) and (2) to have their children receive primary and secondary school instruction in the language of the English or French linguistic minority population of a province

(*a*) applies wherever in the province the number of children of citizens who have such a right is sufficient to warrant the provision to them out of public funds of minority language instruction; and

(*b*) includes, where the number of those children so warrants, the right to have them receive that instruction in minority language educational facilities provided out of public funds.

Justification par le nombre

(3) Le droit reconnu aux citoyens canadiens par les paragraphes (1) et (2) de faire instruire leurs enfants, aux niveaux primaire et secondaire, dans la langue de la minorité francophone ou anglophone d'une province :

a) s'exerce partout dans la province où le nombre des enfants des citoyens qui ont ce droit est suffisant pour justifier à leur endroit la prestation, sur les fonds publics, de l'instruction dans la langue de la minorité;

b) comprend, lorsque le nombre de ces enfants le justifie, le droit de les faire instruire dans des établissements d'enseignement de la minorité linguistique financés sur les fonds publics.

Enforcement

Enforcement of guaranteed rights and freedoms

24. (1) Anyone whose rights or freedoms, as guaranteed by this Charter, have been infringed or denied may apply to a court of competent jurisdiction to obtain such remedy as the court considers appropriate and just in the circumstances.

Exclusion of evidence bringing administration of justice into disrepute

(2) Where, in proceedings under subsection (1), a court concludes that evidence was obtained in a manner that infringed or denied any rights or freedoms guaranteed by this Charter, the evidence shall be excluded if it is established that, having regard to all the circumstances, the admission of it in the proceedings would bring the administration of justice into disrepute.

Recours

Recours en cas d'atteinte aux droits et libertés

24. (1) Toute personne, victime de violation ou de négation des droits ou libertés qui lui sont garantis par la présente charte, peut s'adresser à un tribunal compétent pour obtenir la réparation que le tribunal estime convenable et juste eu égard aux circonstances.

Irrecevabilité d'éléments de preuve qui risqueraient de déconsidérer l'administration de la justice

(2) Lorsque, dans une instance visée au paragraphe (1), le tribunal a conclu que des éléments de preuve ont été obtenus dans des conditions qui portent atteinte aux droits ou libertés garantis par la présente charte, ces éléments de preuve sont écartés s'il est établi, eu égard aux circonstances, que leur utilisation est susceptible de déconsidérer l'administration de la justice.

General

Aboriginal rights and freedoms not affected by Charter

25. The guarantee in this Charter of certain rights and freedoms shall not be construed so as to abrogate or derogate from any aboriginal, treaty or other rights or freedoms that pertain to the aboriginal peoples of Canada including

(*a*) any rights or freedoms that have been recognized by the Royal Proclamation of October 7, 1763; and

(*b*) any rights or freedoms that may be acquired by the aboriginal peoples of Canada by way of land claims settlement.

Other rights and freedoms not affected by Charter

26. The guarantee in this Charter of certain rights and freedoms shall not be con-

Dispositions générales

Maintien des droits et libertés des autochtones

25. Le fait que la présente charte garantit certains droits et libertés ne porte pas atteinte aux droits ou libertés — ancestraux, issus de traités ou autres — des peuples autochtones du Canada, notamment :

a) aux droits ou libertés reconnus par la Proclamation royale du 7 octobre 1763;

b) aux droits ou libertés acquis par règlement de revendications territoriales.

Maintien des autres droits et libertés

26. Le fait que la présente charte garantit certains droits et libertés ne constitue pas

strued as denying the existence of any other rights or freedoms that exist in Canada.

une négation des autres droits ou libertés qui existent au Canada.

Multicultural heritage

27. This Charter shall be interpreted in a manner consistent with the preservation and enhancement of the multicultural heritage of Canadians.

27. Toute interprétation de la présente charte doit concorder avec l'objectif de promouvoir le maintien et la valorisation du patrimoine multiculturel des Canadiens.

Maintien du patrimoine culturel

Rights guaranteed equally to both sexes

28. Notwithstanding anything in this Charter, the rights and freedoms referred to in it are guaranteed equally to male and female persons.

28. Indépendamment des autres dispositions de la présente charte, les droits et libertés qui y sont mentionnés sont garantis également aux personnes des deux sexes.

Égalité de garantie des droits pour les deux sexes

Rights respecting certain schools preserved

29. Nothing in this Charter abrogates or derogates from any rights or privileges guaranteed by or under the Constitution of Canada in respect of denominational, separate or dissentient schools.

29. Les dispositions de la présente charte ne portent pas atteinte aux droits ou privilèges garantis en vertu de la Constitution du Canada concernant les écoles séparées et autres écoles confessionnelles.

Maintien des droits relatifs à certaines écoles

Application to territories and territorial authorities

30. A reference in this Charter to a province or to the legislative assembly or legislature of a province shall be deemed to include a reference to the Yukon Territory and the Northwest Territories, or to the appropriate legislative authority thereof, as the case may be.

30. Dans la présente charte, les dispositions qui visent les provinces, leur législature ou leur assemblée législative visent également le territoire du Yukon, les territoires du Nord-Ouest ou leurs autorités législatives compétentes.

Application aux territoires

Legislative powers not extended

31. Nothing in this Charter extends the legislative powers of any body or authority.

31. La présente charte n'élargit pas les compétences législatives de quelque organisme ou autorité que ce soit.

Non-élargissement des compétences législatives

Application of Charter

Application de la charte

Application of Charter

32. (1) This Charter applies

(*a*) to the Parliament and government of Canada in respect of all matters within the authority of Parliament including all matters relating to the Yukon Territory and Northwest Territories; and

(*b*) to the legislature and government of each province in respect of all matters within the authority of the legislature of each province.

32. (1) La présente charte s'applique :

a) au Parlement et au gouvernement du Canada, pour tous les domaines relevant du Parlement, y compris ceux qui concernent le territoire du Yukon et les territoires du Nord-Ouest;

b) à la législature et au gouvernement de chaque province, pour tous les domaines relevant de cette législature.

Application de la charte

Exception

(2) Notwithstanding subsection (1), section 15 shall not have effect until three years after this section comes into force.

(2) Par dérogation au paragraphe (1), l'article 15 n'a d'effet que trois ans après l'entrée en vigueur du présent article.

Restriction

Exception where express declaration

33. (1) Parliament or the legislature of a province may expressly declare in an Act of Parliament or of the legislature, as the case may be, that the Act or a provision thereof shall operate notwithstanding a provision included in section 2 or sections 7 to 15 of this Charter.

33. (1) Le Parlement ou la législature d'une province peut adopter une loi où il est expressément déclaré que celle-ci ou une de ses dispositions a effet indépendamment d'une disposition donnée de l'article 2 ou des articles 7 à 15 de la présente charte.

Dérogation par déclaration expresse

Operation of exception

(2) An Act or a provision of an Act in respect of which a declaration made under this section is in effect shall have such operation as it would have but for the provision of this Charter referred to in the declaration.

Effet de la dérogation

(2) La loi ou la disposition qui fait l'objet d'une déclaration conforme au présent article et en vigueur a l'effet qu'elle aurait sauf la disposition en cause de la charte.

Five year limitation

(3) A declaration made under subsection (1) shall cease to have effect five years after it comes into force or on such earlier date as may be specified in the declaration.

Durée de validité

(3) La déclaration visée au paragraphe (1) cesse d'avoir effet à la date qui y est précisée ou, au plus tard, cinq ans après son entrée en vigueur.

Re-enactment

(4) Parliament or a legislature of a province may re-enact a declaration made under subsection (1).

Nouvelle adoption

(4) Le Parlement ou une législature peut adopter de nouveau une déclaration visée au paragraphe (1).

Five year limitation

(5) Subsection (3) applies in respect of a re-enactment made under subsection (4).

Durée de validité

(5) Le paragraphe (3) s'applique à toute déclaration adoptée sous le régime du paragraphe (4).

Citation

Titre

Citation

34. This Part may be cited as the *Canadian Charter of Rights and Freedoms.*

Titre

34. Titre de la présente partie : *Charte canadienne des droits et libertés.*

PART II

PARTIE II

EQUALIZATION AND REGIONAL DISPARITIES

PÉRÉQUATION ET INÉGALITÉS RÉGIONALES

Commitment to promote equal opportunities

35. (1) Without altering the legislative authority of Parliament or of the provincial legislatures, or the rights of any of them with respect to the exercise of their legislative authority, Parliament and the legislatures, together with the government of Canada and the provincial governments, are committed to

(*a*) promoting equal opportunities for the well-being of Canadians;

(*b*) furthering economic development to reduce disparity in opportunities; and

(*c*) providing essential public services of reasonable quality to all Canadians.

Engagements relatifs à l'égalité des chances

35. (1) Sous réserve des compétences législatives du Parlement et des législatures et de leur droit de les exercer, le Parlement et les législatures, ainsi que les gouvernements fédéral et provinciaux, s'engagent à :

a) promouvoir l'égalité des chances de tous les Canadiens dans la recherche de leur bien-être;

b) favoriser le développement économique pour réduire l'inégalité des chances;

c) fournir à tous les Canadiens, à un niveau de qualité acceptable, les services publics essentiels.

Commitment respecting public services

(2) Parliament and the government of Canada are committed to the principle of making equalization payments to ensure that provincial governments have sufficient revenues to provide reasonably comparable levels of public services at reasonably comparable levels of taxation.

Engagement relatif aux services publics

(2) Le Parlement et le gouvernement du Canada prennent l'engagement de principe de faire des paiements de péréquation propres à donner aux gouvernements provinciaux des revenus suffisants pour les mettre en mesure d'assurer les services publics à un niveau de qualité et de fiscalité sensiblement comparables.

PART III

CONSTITUTIONAL CONFERENCE

Constitutional conference

36. (1) A constitutional conference composed of the Prime Minister of Canada and the first ministers of the provinces shall be convened by the Prime Minister of Canada within one year after this Part comes into force.

Participation of aboriginal peoples

(2) The conference convened under subsection (1) shall have included in its agenda an item respecting constitutional matters that directly affect the aboriginal peoples of Canada, including the identification and definition of the rights of those peoples to be included in the Constitution of Canada, and the Prime Minister of Canada shall invite representatives of those peoples to participate in the discussions on that item.

Participation of territories

(3) The Prime Minister of Canada shall invite elected representatives of the governments of the Yukon Territory and the Northwest Territories to participate in the discussions on any item on the agenda of the conference convened under subsection (1) that, in the opinion of the Prime Minister, directly affects the Yukon Territory and the Northwest Territories.

PARTIE III

CONFÉRENCE CONSTITUTIONNELLE

Conférence constitutionnelle

36. (1) Dans l'année suivant l'entrée en vigueur de la présente partie, le premier ministre du Canada convoque une conférence constitutionnelle réunissant les premiers ministres provinciaux et lui-même.

Participation des peuples autochtones

(2) Sont placées à l'ordre du jour de la conférence visée au paragraphe (1) les questions constitutionnelles qui intéressent directement les peuples autochtones du Canada, notamment la détermination et la définition des droits de ces peuples à inscrire dans la Constitution du Canada. Le premier ministre du Canada invite leurs représentants à participer aux travaux relatifs à ces questions.

Participation des territoires

(3) Le premier ministre du Canada invite des représentants élus des gouvernements du territoire du Yukon et des territoires du Nord-Ouest à participer aux travaux relatifs à toute question placée à l'ordre du jour de la conférence visée au paragraphe (1) et qui, selon lui, intéresse directement le territoire du Yukon et les territoires du Nord-Ouest.

PART IV

PROCEDURE FOR AMENDING CONSTITUTION OF CANADA

General procedure for amending Constitution of Canada

37. (1) An amendment to the Constitution of Canada may be made by proclamation issued by the Governor General under the Great Seal of Canada where so authorized by

(*a*) resolutions of the Senate and House of Commons; and

(*b*) resolutions of the legislative assemblies of at least two-thirds of the provinces that have, in the aggregate, according to the then latest general census, at least fifty per cent of the population of all the provinces.

Majority of members

(2) An amendment made under subsection (1) that derogates from the legislative powers, the proprietary rights or any other rights or privileges of the legislature or gov-

PARTIE IV

PROCÉDURE DE MODIFICATION DE LA CONSTITUTION DU CANADA

Procédure normale de modification

37. (1) La Constitution du Canada peut être modifiée par proclamation du gouverneur général sous le grand sceau du Canada, autorisée à la fois :

a) par des résolutions du Sénat et de la Chambre des communes;

b) par des résolutions des assemblées législatives d'au moins deux tiers des provinces dont la population confondue représente, selon le recensement général le plus récent à l'époque, au moins cinquante pour cent de la population de toutes les provinces.

Majorité simple

(2) Une modification faite conformément au paragraphe (1) mais dérogatoire à la compétence législative, aux droits de propriété ou à tous autres droits ou privilèges

ernment of a province shall require a resolution supported by a majority of the members of each of the Senate, the House of Commons and the legislative assemblies required under subsection (1).

d'une législature ou d'un gouvernement provincial exige une résolution adoptée à la majorité des sénateurs, des députés fédéraux et des députés de chacune des assemblées législatives du nombre requis de provinces.

Expression of dissent

(3) An amendment referred to in subsection (2) shall not have effect in a province the legislative assembly of which has expressed its dissent thereto by resolution supported by a majority of its members prior to the issue of the proclamation to which the amendment relates unless that legislative assembly, subsequently, by resolution supported by a majority of its members, revokes its dissent and authorizes the amendment.

Désaccord

(3) La modification visée au paragraphe (2) est sans effet dans une province dont l'assemblée législative a, avant la prise de la proclamation, exprimé son désaccord par une résolution adoptée à la majorité des députés, sauf si cette assemblée, par résolution également adoptée à la majorité, revient sur son désaccord et autorise la modification.

Revocation of dissent

(4) A resolution of dissent made for the purposes of subsection (3) may be revoked at any time before or after the issue of the proclamation to which it relates.

Levée du désaccord

(4) La résolution de désaccord visée au paragraphe (3) peut être révoquée à tout moment, indépendamment de la date de la proclamation à laquelle elle se rapporte.

Restriction on proclamation

38. (1) A proclamation shall not be issued under subsection 37(1) before the expiration of one year from the adoption of the resolution initiating the amendment procedure thereunder, unless the legislative assembly of each province has previously adopted a resolution of assent or dissent.

Restriction

38. (1) La proclamation visée au paragraphe 37(1) ne peut être prise dans l'année suivant l'adoption de la résolution à l'origine de la procédure de modification que si l'assemblée législative de chaque province a préalablement adopté une résolution d'agrément ou de désaccord.

Idem

(2) A proclamation shall not be issued under subsection 37(1) after the expiration of three years from the adoption of the resolution initiating the amendment procedure thereunder.

Idem

(2) La proclamation visée au paragraphe 37(1) ne peut être prise que dans les trois ans suivant l'adoption de la résolution à l'origine de la procédure de modification.

Compensation

39. Where an amendment is made under subsection 37(1) that transfers provincial legislative powers relating to education or other cultural matters from provincial legislatures to Parliament, Canada shall provide reasonable compensation to any province to which the amendment does not apply.

Compensation

39. Le Canada fournit une juste compensation aux provinces auxquelles ne s'applique pas une modification faite conformément au paragraphe 37(1) et relative, en matière d'éducation ou dans d'autres domaines culturels, à un transfert de compétences législatives provinciales au Parlement.

Amendment by unanimous consent

40. An amendment to the Constitution of Canada in relation to the following matters may be made by proclamation issued by the Governor General under the Great Seal of Canada only where authorized by resolutions of the Senate and House of Commons and of the legislative assembly of each province:

(*a*) the office of the Queen, the Governor General and the Lieutenant Governor of a province;

Consentement unanime

40. Toute modification de la Constitution du Canada portant sur les questions suivantes se fait par proclamation du gouverneur général sous le grand sceau du Canada, autorisée par des résolutions du Sénat, de la Chambre des communes et de l'assemblée législative de chaque province :

a) la charge de Reine, celle de gouverneur général et celle de lieutenant-gouverneur;

(*b*) the right of a province to a number of members in the House of Commons not less than the number of Senators by which the province is entitled to be represented at the time this Part comes into force;

(*c*) subject to section 42, the use of the English or the French language;

(*d*) the composition of the Supreme Court of Canada; and

(*e*) an amendment to this Part.

b) le droit d'une province d'avoir à la Chambre des communes un nombre de députés au moins égal à celui des sénateurs par lesquels elle est habilitée à être représentée lors de l'entrée en vigueur de la présente partie;

c) sous réserve de l'article 42, l'usage du français ou de l'anglais;

d) la composition de la Cour suprême du Canada;

e) la modification de la présente partie.

Amendment by general procedure

41. (1) An amendment to the Constitution of Canada in relation to the following matters may be made only in accordance with subsection 37(1):

(*a*) the principle of proportionate representation of the provinces in the House of Commons prescribed by the Constitution of Canada;

(*b*) the powers of the Senate and the method of selecting Senators;

(*c*) the number of members by which a province is entitled to be represented in the Senate and the residence qualifications of Senators;

(*d*) subject to paragraph 40(*d*), the Supreme Court of Canada;

(*e*) the extension of existing provinces into the territories; and

(*f*) notwithstanding any other law or practice, the establishment of new provinces.

Procédure normale de modification

41. (1) Toute modification de la Constitution du Canada portant sur les questions suivantes se fait conformément au paragraphe 37(1) :

a) le principe de la représentation proportionnelle des provinces à la Chambre des communes prévu par la Constitution du Canada;

b) les pouvoirs du Sénat et le mode de sélection des sénateurs;

c) le nombre des sénateurs par lesquels une province est habilitée à être représentée et les conditions de résidence qu'ils doivent remplir;

d) sous réserve de l'alinéa 40*d*), la Cour suprême du Canada;

e) le rattachement aux provinces existantes de tout ou partie des territoires;

f) par dérogation à toute autre loi ou usage, la création de provinces.

Exception

(2) Subsections 37(2) to (4) do not apply in respect of amendments in relation to matters referred to in subsection (1).

Exception

(2) Les paragraphes 37(2) à (4) ne s'appliquent pas aux questions mentionnées au paragraphe (1).

Amendment of provisions relating to some but not all provinces

42. An amendment to the Constitution of Canada in relation to any provision that applies to one or more, but not all, provinces, including

(*a*) any alteration to boundaries between provinces, and

(*b*) any amendment to any provision that relates to the use of the English or the French language within a province,

may be made by proclamation issued by the Governor General under the Great Seal of Canada only where so authorized by resolutions of the Senate and House of Commons

Modification à l'égard de certaines provinces

42. Les dispositions de la Constitution du Canada applicables à certaines provinces seulement ne peuvent être modifiées que par proclamation du gouverneur général sous le grand sceau du Canada, autorisée par des résolutions du Sénat, de la Chambre des communes et de l'assemblée législative de chaque province concernée. Le présent article s'applique notamment :

a) aux changements du tracé des frontières interprovinciales;

b) aux modifications des dispositions relatives à l'usage du français ou de l'anglais dans une province.

and of the legislative assembly of each province to which the amendment applies.

Amendments by Parliament

43. Subject to sections 40 and 41, Parliament may exclusively make laws amending the Constitution of Canada in relation to the executive government of Canada or the Senate and House of Commons.

Modification par le Parlement

43. Sous réserve des articles 40 et 41, le Parlement a compétence exclusive pour modifier les dispositions de la Constitution du Canada relatives au pouvoir exécutif fédéral, au Sénat ou à la Chambre des communes.

Amendments by provincial legislatures

44. Subject to section 40, the legislature of each province may exclusively make laws amending the constitution of the province.

Modification par les législatures

44. Sous réserve de l'article 40, une législature a compétence exclusive pour modifier la constitution de sa province.

Initiation of amendment procedures

45. (1) The procedures for amendment under sections 37, 40, 41 and 42 may be initiated either by the Senate or the House of Commons or by the legislative assembly of a province.

Initiative des procédures

45. (1) L'initiative des procédures de modification visées aux articles 37, 40, 41 et 42 appartient au Sénat, à la Chambre des communes ou à une assemblée législative.

Revocation of authorization

(2) A resolution of assent made for the purposes of this Part may be revoked at any time before the issue of a proclamation authorized by it.

Possibilité de révocation

(2) Une résolution d'agrément adoptée dans le cadre de la présente partie peut être révoquée à tout moment avant la date de la proclamation qu'elle autorise.

Amendments without Senate resolution

46. (1) An amendment to the Constitution of Canada made by proclamation under section 37, 40, 41 or 42 may be made without a resolution of the Senate authorizing the issue of the proclamation if, within one hundred and eighty days after the adoption by the House of Commons of a resolution authorizing its issue, the Senate has not adopted such a resolution and if, at any time after the expiration of that period, the House of Commons again adopts the resolution.

Modification sans résolution du Sénat

46. (1) Dans les cas visés à l'article 37, 40, 41 ou 42, il peut être passé outre au défaut d'autorisation du Sénat si celui-ci n'a pas adopté de résolution dans un délai de cent quatre-vingts jours suivant l'adoption de celle de la Chambre des communes et si cette dernière, après l'expiration du délai, adopte une nouvelle résolution dans le même sens.

Computation of period

(2) Any period when Parliament is prorogued or dissolved shall not be counted in computing the one hundred and eighty day period referred to in subsection (1).

Computation du délai

(2) Dans la computation du délai visé au paragraphe (1), ne sont pas comptées les périodes pendant lesquelles le Parlement est prorogé ou dissous.

Advice to issue proclamation

47. The Queen's Privy Council for Canada shall advise the Governor General to issue a proclamation under this Part forthwith on the adoption of the resolutions required for an amendment made by proclamation under this Part.

Demande de proclamation

47. Le Conseil privé de la Reine pour le Canada demande au gouverneur général de prendre, conformément à la présente partie, une proclamation dès l'adoption des résolutions prévues par cette partie pour une modification par proclamation.

Constitutional conference

48. A constitutional conference composed of the Prime Minister of Canada and the first ministers of the provinces shall be convened by the Prime Minister of Canada within fifteen years after this Part comes into force to review the provisions of this Part.

Conférence constitutionnelle

48. Dans les quinze ans suivant l'entrée en vigueur de la présente partie, le premier ministre du Canada convoque une conférence constitutionnelle réunissant les premiers ministres provinciaux et lui-même, en vue du réexamen des dispositions de cette partie.

PART V

AMENDMENT TO THE CONSTITUTION ACT, 1867

Amendment to *Constitution Act, 1867*

49. The *Constitution Act, 1867* (formerly named the *British North America Act, 1867*) is amended by adding thereto, immediately after section 92 thereof, the following heading and section:

"*Non-Renewable Natural Resources, Forestry Resources and Electrical Energy*

Laws respecting non-renewable natural resources, forestry resources and electrical energy

92A. (1) In each province, the legislature may exclusively make laws in relation to

(*a*) exploration for non-renewable natural resources in the province;

(*b*) development, conservation and management of non-renewable natural resources and forestry resources in the province, including laws in relation to the rate of primary production therefrom; and

(*c*) development, conservation and management of sites and facilities in the province for the generation and production of electrical energy.

Export from provinces of resources

(2) In each province, the legislature may make laws in relation to the export from the province to another part of Canada of the primary production from non-renewable natural resources and forestry resources in the province and the production from facilities in the province for the generation of electrical energy, but such laws may not authorize or provide for discrimination in prices or in supplies exported to another part of Canada.

Authority of Parliament

(3) Nothing in subsection (2) derogates from the authority of Parliament to enact laws in relation to the matters referred to in that subsection and, where such a law of Parliament and a law of a province conflict, the law of Parliament prevails to the extent of the conflict.

PARTIE V

MODIFICATION DE LA LOI CONSTITUTIONNELLE DE 1867

Modification de la *Loi constitutionnelle de 1867*

49. La *Loi constitutionnelle de 1867* (antérieurement désignée sous le titre : *Acte de l'Amérique du Nord britannique, 1867*) est modifiée par insertion, après l'article 92, de la rubrique et de l'article suivants :

«*Ressources naturelles non renouvelables, ressources forestières et énergie électrique*

Compétence provinciale

92A. (1) La législature de chaque province a compétence exclusive pour légiférer dans les domaines suivants :

a) prospection des ressources naturelles non renouvelables de la province;

b) exploitation, conservation et gestion des ressources naturelles non renouvelables et des ressources forestières de la province, y compris leur rythme de production primaire;

c) aménagement, conservation et gestion des emplacements et des installations de la province destinés à la production d'énergie électrique.

Exportation hors des provinces

(2) La législature de chaque province a compétence pour légiférer en ce qui concerne l'exportation, hors de la province, à destination d'une autre partie du Canada, de la production primaire tirée des ressources naturelles non renouvelables et des ressources forestières de la province, ainsi que de la production d'énergie électrique de la province, sous réserve de ne pas adopter de lois autorisant ou prévoyant des disparités de prix ou des disparités dans les exportations destinées à une autre partie du Canada.

Pouvoir du Parlement

(3) Le paragraphe (2) ne porte pas atteinte au pouvoir du Parlement de légiférer dans les domaines visés à ce paragraphe, les dispositions d'une loi du Parlement adoptée dans ces domaines l'emportant sur les dispositions incompatibles d'une loi provinciale.

The Constitution

Taxation of resources

(4) In each province, the legislature may make laws in relation to the raising of money by any mode or system of taxation in respect of

(*a*) non-renewable natural resources and forestry resources in the province and the primary production therefrom, and

(*b*) sites and facilities in the province for the generation of electrical energy and the production therefrom,

whether or not such production is exported in whole or in part from the province, but such laws may not authorize or provide for taxation that differentiates between production exported to another part of Canada and production not exported from the province.

"Primary production"

(5) The expression "primary production" has the meaning assigned by the Sixth Schedule.

Existing powers or rights

(6) Nothing in subsections (1) to (5) derogates from any powers or rights that a legislature or government of a province had immediately before the coming into force of this section."

Idem

50. The said Act is further amended by adding thereto the following Schedule:

"THE SIXTH SCHEDULE

Primary Production from Non-Renewable Natural Resources and Forestry Resources

1. For the purposes of section 92A of this Act,

(*a*) production from a non-renewable natural resource is primary production therefrom if

(i) it is in the form in which it exists upon its recovery or severance from its natural state, or

Taxation des ressources

(4) La législature de chaque province a compétence pour prélever des sommes d'argent par tout mode ou système de taxation :

a) des ressources naturelles non renouvelables et des ressources forestières de la province, ainsi que de la production primaire qui en est tirée;

b) des emplacements et des installations de la province destinés à la production d'énergie électrique, ainsi que de cette production même.

Cette compétence peut s'exercer indépendamment du fait que la production en cause soit ou non, en totalité ou en partie, exportée hors de la province, mais les lois adoptées dans ces domaines ne peuvent autoriser ou prévoir une taxation qui établisse une distinction entre la production exportée à destination d'une autre partie du Canada et la production non exportée hors de la province.

«Production primaire»

(5) L'expression «production primaire» a le sens qui lui est donné dans la sixième annexe.

Pouvoirs ou droits existants

(6) Les paragraphes (1) à (5) ne portent pas atteinte aux pouvoirs ou droits détenus par la législature ou le gouvernement d'une province lors de l'entrée en vigueur du présent article.»

Idem

50. Ladite loi est en outre modifiée par adjonction de l'annexe suivante :

«SIXIÈME ANNEXE

Production primaire tirée des ressources naturelles non renouvelables et des ressources forestières

1. Pour l'application de l'article 92A :

a) on entend par production primaire tirée d'une ressource naturelle non renouvelable :

(i) soit le produit qui se présente sous la même forme que lors de son extraction du milieu naturel,

(ii) soit le produit non manufacturé de la transformation, du raffinage ou de

(ii) it is a product resulting from processing or refining the resource, and is not a manufactured product or a product resulting from refining crude oil, refining upgraded heavy crude oil, refining gases or liquids derived from coal or refining a synthetic equivalent of crude oil; and

(*b*) production from a forestry resource is primary production therefrom if it consists of sawlogs, poles, lumber, wood chips, sawdust or any other primary wood product, or wood pulp, and is not a product manufactured from wood."

l'affinage d'une ressource, à l'exception du produit du raffinage du pétrole brut, du raffinage du pétrole brut lourd amélioré, du raffinage des gaz ou des liquides dérivés du charbon ou du raffinage d'un équivalent synthétique du pétrole brut;

b) on entend par production primaire tirée d'une ressource forestière la production constituée de billots, de poteaux, de bois d'œuvre, de copeaux, de sciure ou d'autre produit primaire du bois, ou de pâte de bois, à l'exception d'un produit manufacturé en bois.»

PART VI

GENERAL

PARTIE VI

DISPOSITIONS GÉNÉRALES

Primacy of Constitution of Canada

51. (1) The Constitution of Canada is the supreme law of Canada, and any law that is inconsistent with the provisions of the Constitution is, to the extent of the inconsistency, of no force or effect.

51. (1) La Constitution du Canada est la loi suprême du Canada; elle rend inopérantes les dispositions incompatibles de toute autre règle de droit.

Primauté de la Constitution du Canada

Constitution of Canada

(2) The Constitution of Canada includes

(*a*) the *Canada Act*, including this Act;

(*b*) the Acts and orders referred to in Schedule I; and

(*c*) any amendment to any Act or order referred to in paragraph (*a*) or (*b*).

(2) La Constitution du Canada comprend :

a) la *Loi sur le Canada*, y compris la présente loi;

b) les textes législatifs et les décrets figurant à l'annexe I;

c) les modifications des textes législatifs et des décrets mentionnés aux alinéas *a*) ou *b*).

Constitution du Canada

Amendments to Constitution of Canada

(3) Amendments to the Constitution of Canada shall be made only in accordance with the authority contained in the Constitution of Canada.

(3) La Constitution du Canada ne peut être modifiée que conformément aux pouvoirs conférés par elle.

Modification

Repeals and new names

52. (1) The enactments referred to in Column I of Schedule I are hereby repealed or amended to the extent indicated in Column II thereof and, unless repealed, shall continue as law in Canada under the names set out in Column III thereof.

52. (1) Les textes législatifs et les décrets énumérés à la colonne I de l'annexe I sont abrogés ou modifiés dans la mesure indiquée à la colonne II. Sauf abrogation, ils restent en vigueur en tant que lois du Canada sous les titres mentionnés à la colonne III.

Abrogation et nouveaux titres

Consequential amendments

(2) Every enactment, except the *Canada Act*, that refers to an enactment referred to in Schedule I by the name in Column I thereof is hereby amended by substituting for that name the corresponding name in Column III thereof, and any British North America Act not referred to in Schedule I may be cited as the *Constitution Act* fol-

(2) Tout texte législatif ou réglementaire, sauf la *Loi sur le Canada,* qui fait mention d'un texte législatif ou décret figurant à l'annexe I par le titre indiqué à la colonne I est modifié par substitution à ce titre du titre correspondant mentionné à la colonne III; tout Acte de l'Amérique du Nord britannique non mentionné à l'annexe I peut être cité sous le titre de *Loi constitutionnelle* suivi de

Modifications corrélatives

lowed by the year and number, if any, of its enactment.

l'indication de l'année de son adoption et éventuellement de son numéro.

Repeal and consequential amendments

53. Part III is repealed on the day that is one year after this Part comes into force and this section may be repealed and this Act renumbered, consequential upon the repeal of Part III and this section, by proclamation issued by the Governor General under the Great Seal of Canada.

53. La partie III est abrogée un an après l'entrée en vigueur de la présente partie et le gouverneur général peut, par proclamation sous le grand sceau du Canada, abroger le présent article et apporter en conséquence de cette double abrogation les aménagements qui s'imposent à la présente loi.

Abrogation et modifications qui en découlent

French version of Constitution of Canada

54. A French version of the portions of the Constitution of Canada referred to in Schedule I shall be prepared by the Minister of Justice of Canada as expeditiously as possible and, when any portion thereof sufficient to warrant action being taken has been so prepared, it shall be put forward for enactment by proclamation issued by the Governor General under the Great Seal of Canada pursuant to the procedure then applicable to an amendment of the same provisions of the Constitution of Canada.

54. Le ministre de la Justice du Canada est chargé de rédiger, dans les meilleurs délais, la version française des parties de la Constitution du Canada qui figurent à l'annexe I; toute partie suffisamment importante est, dès qu'elle est prête, déposée pour adoption par proclamation du gouverneur général sous le grand sceau du Canada, conformément à la procédure applicable à l'époque à la modification des dispositions constitutionnelles qu'elle contient.

Version française de certains textes constitutionnels

English and French versions of certain constitutional texts

55. Where any portion of the Constitution of Canada has been or is enacted in English and French or where a French version of any portion of the Constitution is enacted pursuant to section 54, the English and French versions of that portion of the Constitution are equally authoritative.

55. Les versions française et anglaise des parties de la Constitution du Canada adoptées dans ces deux langues ont également force de loi. En outre, ont également force de loi, dès l'adoption, dans le cadre de l'article 54, d'une partie de la version française de la Constitution, cette partie et la version anglaise correspondante.

Versions française et anglaise de certains textes constitutionnels

English and French versions of this Act

56. The English and French versions of this Act are equally authoritative.

56. Les versions française et anglaise de la présente loi ont également force de loi.

Versions française et anglaise de la présente loi

Commencement

57. Subject to section 58, this Act shall come into force on a day to be fixed by proclamation issued by the Queen or the Governor General under the Great Seal of Canada.

57. Sous réserve de l'article 58, la présente loi entre en vigueur à la date fixée par proclamation de la Reine ou du gouverneur général sous le grand sceau du Canada.

Entrée en vigueur

Commencement of paragraph 23(1)(*a*) in respect of Quebec

58. (1) Paragraph 23(1)(*a*) shall come into force in respect of Quebec on a day to be fixed by proclamation issued by the Queen or the Governor General under the Great Seal of Canada.

58. (1) L'alinéa 23(1)*a*) entre en vigueur pour le Québec à la date fixée par proclamation de la Reine ou du gouverneur général sous le grand sceau du Canada.

Entrée en vigueur de l'alinéa 23(1)*a*) pour le Québec

Authorization of Quebec

(2) A proclamation under subsection (1) shall be issued only where authorized by the legislative assembly or government of Quebec.

(2) La proclamation visée au paragraphe (1) ne peut être prise qu'après autorisation de l'assemblée législative ou du gouvernement du Québec.

Autorisation du Québec

Repeal of this section

(3) This section may be repealed on the day paragraph 23(1)(*a*) comes into force in respect of Quebec and this Act amended and renumbered, consequential upon the repeal of this section, by proclamation issued by the Queen or the Governor General under the Great Seal of Canada.

Abrogation du présent article

(3) Le présent article peut être abrogé à la date d'entrée en vigueur de l'alinéa 23(1)*a*) pour le Québec, et la présente loi faire l'objet, dès cette abrogation, des modifications et changements de numérotation qui en découlent, par proclamation de la Reine ou du gouverneur général sous le grand sceau du Canada.

Short title and citations

59. This Act may be cited as the *Constitution Act, 1981*, and the Constitution Acts 1867 to 1975 (No. 2) and this Act may be cited together as the *Constitution Acts, 1867 to 1981*.

Titres

59. Titre abrégé de la présente annexe : *Loi constitutionnelle de 1981*; titre commun des lois constitutionnelles de 1867 à 1975 (nº 2) et de la présente loi : *Lois constitutionnelles de 1867 à 1981*.

SCHEDULE I

to the

CONSTITUTION ACT, 1981

MODERNIZATION OF THE CONSTITUTION

Item	Column I Act Affected	Column II Amendment	Column III New Name
1.	British North America Act, 1867, 30-31 Vict., c. 3 (U.K.)	(1) Section 1 is repealed and the following substituted therefor: "1. This Act may be cited as the *Constitution Act, 1867*." (2) Section 20 is repealed. (3) Class 1 of section 91 is repealed. (4) Class 1 of section 92 is repealed.	Constitution Act, 1867
2.	An Act to amend and continue the Act 32-33 Victoria chapter 3; and to establish and provide for the Government of the Province of Manitoba, 1870, 33 Vict., c. 3 (Can.)	(1) The long title is repealed and the following substituted therefor: "*Manitoba Act, 1870*." (2) Section 20 is repealed.	Manitoba Act, 1870
3.	Order of Her Majesty in Council admitting Rupert's Land and the North-Western Territory into the union, dated the 23rd day of June, 1870		Rupert's Land and North-Western Territory Order
4.	Order of Her Majesty in Council admitting British Columbia into the Union, dated the 16th day of May, 1871		British Columbia Terms of Union
5.	British North America Act, 1871, 34-35 Vict., c. 28 (U.K.)	Section 1 is repealed and the following substituted therefor: "1. This Act may be cited as the *Constitution Act, 1871*."	Constitution Act, 1871
6.	Order of Her Majesty in Council admitting Prince Edward Island into the Union, dated the 26th day of June, 1873		Prince Edward Island Terms of Union
7.	Parliament of Canada Act, 1875, 38-39 Vict., c. 38 (U.K.)		Parliament of Canada Act, 1875
8.	Order of Her Majesty in Council admitting all British possessions and Territories in North America and islands adjacent thereto into the Union, dated the 31st day of July, 1880		Adjacent Territories Order

ANNEXE I

LOI CONSTITUTIONNELLE DE 1981

ACTUALISATION DE LA CONSTITUTION

	Colonne I Loi visée	Colonne II Modification	Colonne III Nouveau titre
1.	Acte de l'Amérique du Nord britannique, 1867, 30-31 Vict., c. 3 (R.-U.)	(1) L'article 1 est abrogé et remplacé par ce qui suit : «1. Titre abrégé : *Loi constitutionnelle de 1867*.» (2) L'article 20 est abrogé. (3) La catégorie 1 de l'article 91 est abrogée. (4) La catégorie 1 de l'article 92 est abrogée.	Loi constitutionnelle de 1867
2.	Acte pour amender et continuer l'acte trente-deux et trente-trois Victoria, chapitre trois, et pour établir et constituer le gouvernement de la province de Manitoba, 1870, 33 Vict., c. 3 (Canada)	(1) Le titre complet est abrogé et remplacé par ce qui suit : «*Loi de 1870 sur le Manitoba*.» (2) L'article 20 est abrogé.	Loi de 1870 sur le Manitoba
3.	Arrêté en conseil de Sa Majesté admettant la Terre de Rupert et le Territoire du Nord-Ouest, en date du 23 juin 1870		Décret en conseil sur la terre de Rupert et le territoire du Nord-Ouest
4.	Arrêté en conseil de Sa Majesté admettant la Colombie-Britannique, en date du 16 mai 1871		Conditions de l'adhésion de la Colombie-Britannique
5.	Acte de l'Amérique du Nord britannique, 1871, 34-35 Vict., c. 28 (R.-U.)	L'article 1 est abrogé et remplacé par ce qui suit : «1. Titre abrégé : *Loi constitutionnelle de 1871*.»	Loi constitutionnelle de 1871
6.	Arrêté en conseil de Sa Majesté admettant l'Île-du-Prince-Édouard, en date du 26 juin 1873		Conditions de l'adhésion de l'Île-du-Prince-Édouard
7.	Acte du Parlement du Canada, 1875, 38-39 Vict., c. 38 (R.-U.)		Loi de 1875 sur le Parlement du Canada
8.	Arrêté en conseil de Sa Majesté admettant dans l'Union tous les territoires et possessions britanniques dans l'Amérique du Nord, et les îles adjacentes à ces territoires et possessions, en date du 31 juillet 1880		Décret en conseil sur les territoires adjacents

SCHEDULE I

to the

CONSTITUTION ACT, 1981—*Continued*

Item	Column I Act Affected	Column II Amendment	Column III New Name
9.	British North America Act, 1886, 49-50 Vict., c. 35 (U.K.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Constitution Act, 1886*."	Constitution Act, 1886
10.	Canada (Ontario Boundary) Act, 1889, 52-53 Vict., c. 28 (U.K.)		Canada (Ontario Boundary) Act, 1889
11.	Canadian Speaker (Appointment of Deputy) Act, 1895, 2nd Sess., 59 Vict., c. 3 (U.K.)	The Act is repealed.	
12.	The Alberta Act, 1905, 4-5 Edw. VII, c. 3 (Can.)		Alberta Act
13.	The Saskatchewan Act, 1905, 4-5 Edw. VII, c. 42 (Can.)		Saskatchewan Act
14.	British North America Act, 1907, 7 Edw. VII, c. 11 (U.K.)	Section 2 is repealed and the following substituted therefor: "2. This Act may be cited as the *Constitution Act, 1907*."	Constitution Act, 1907
15.	British North America Act, 1915, 5-6 Geo. V, c. 45 (U.K.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Constitution Act, 1915*."	Constitution Act, 1915
16.	British North America Act, 1930, 20-21 Geo. V, c. 26 (U.K.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Constitution Act, 1930*."	Constitution Act, 1930
17.	Statute of Westminster, 1931, 22 Geo. V, c. 4 (U.K.)	In so far as they apply to Canada, (*a*) section 4 is repealed; and (*b*) subsection 7(1) is repealed.	Statute of Westminster, 1931
18.	British North America Act, 1940, 3-4 Geo. VI, c. 36 (U.K.)	Section 2 is repealed and the following substituted therefor: "2. This Act may be cited as the *Constitution Act, 1940*."	Constitution Act, 1940
19.	British North America Act, 1943, 6-7 Geo. VI, c. 30 (U.K.)	The Act is repealed.	

ANNEXE I (*suite*)

LOI CONSTITUTIONNELLE DE 1981

	Colonne I Loi visée	Colonne II Modification	Colonne III Nouveau titre
9.	Acte de l'Amérique du Nord britannique, 1886, 49-50 Vict., c. 35 (R.-U.)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi constitutionnelle de 1886*.»	Loi constitutionnelle de 1886
10.	Acte du Canada (limites d'Ontario) 1889, 52-53 Vict., c. 28 (R.-U.)		Loi de 1889 sur le Canada (frontières de l'Ontario)
11.	Acte concernant l'Orateur canadien (nomination d'un suppléant) 1895, 2e session, 59 Vict., c. 3 (R.-U.)	La loi est abrogée.	
12.	Acte de l'Alberta, 1905, 4-5 Ed. VII, c. 3 (Canada)		Loi sur l'Alberta
13.	Acte de la Saskatchewan, 1905, 4-5 Ed. VII, c. 42 (Canada)		Loi sur la Saskatchewan
14.	Acte de l'Amérique du Nord britannique, 1907, 7 Ed. VII, c. 11 (R.-U.)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé : *Loi constitutionnelle de 1907*.»	Loi constitutionnelle de 1907
15.	Acte de l'Amérique du Nord britannique, 1915, 5-6 Geo. V, c. 45 (R.-U.)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi constitutionnelle de 1915*.»	Loi constitutionnelle de 1915
16.	Acte de l'Amérique du Nord britannique, 1930, 20-21 Geo. V, c. 26 (R.-U.)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi constitutionnelle de 1930*.»	Loi constitutionnelle de 1930
17.	Statut de Westminster, 1931, 22 Geo. V, c. 4 (R.-U.)	Dans la mesure où ils s'appliquent au Canada : *a*) l'article 4 est abrogé; *b*) le paragraphe 7(1) est abrogé.	Statut de Westminster de 1931
18.	Acte de l'Amérique du Nord britannique, 1940, 3-4 Geo. VI, c. 36 (R.-U.)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé : *Loi constitutionnelle de 1940*.»	Loi constitutionnelle de 1940
19.	Acte de l'Amérique du Nord britannique, 1943, 6-7 Geo. VI, c. 30 (R.-U.)	La loi est abrogée.	

SCHEDULE I

to the

CONSTITUTION ACT, 1981—*Continued*

Item	Column I Act Affected	Column II Amendment	Column III New Name
20.	British North America Act, 1946, 9-10 Geo. VI, c. 63 (U.K.)	The Act is repealed.	
21.	British North America Act, 1949, 12-13 Geo. VI, c. 22 (U.K.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Newfoundland Act*."	Newfoundland Act
22.	British North America (No. 2) Act, 1949, 13 Geo. VI, c. 81 (U.K.)	The Act is repealed.	
23.	British North America Act, 1951, 14-15 Geo. VI, c. 32 (U.K.)	The Act is repealed.	
24.	British North America Act, 1952, 1 Eliz. II, c. 15 (Can.)	The Act is repealed.	
25.	British North America Act, 1960, 9 Eliz. II, c. 2 (U.K.)	Section 2 is repealed and the following substituted therefor: "2. This Act may be cited as the *Constitution Act, 1960*."	Constitution Act, 1960
26.	British North America Act, 1964, 12-13 Eliz. II, c. 73 (U.K.)	Section 2 is repealed and the following substituted therefor: "2. This Act may be cited as the *Constitution Act, 1964*."	Constitution Act, 1964
27.	British North America Act, 1965, 14 Eliz. II, c. 4, Part I (Can.)	Section 2 is repealed and the following substituted therefor: "2. This Part may be cited as the *Constitution Act, 1965*."	Constitution Act, 1965
28.	British North America Act, 1974, 23 Eliz. II, c. 13, Part I (Can.)	Section 3, as amended by 25-26 Eliz. II, c. 28, s. 38(1) (Can.) is repealed and the following substituted therefor: "3. This Part may be cited as the *Constitution Act, 1974*."	Constitution Act, 1974

ANNEXE I (*suite*)

LOI CONSTITUTIONNELLE DE 1981

	Colonne I Loi visée	Colonne II Modification	Colonne III Nouveau titre
20.	Acte de l'Amérique du Nord britannique, 1946, 9-10 Geo. VI, c. 63 (R.-U.)	La loi est abrogée.	
21.	Acte de l'Amérique du Nord britannique, 1949, 12-13 Geo. VI, c. 22 (R.-U.)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi sur Terre-Neuve.*»	Loi sur Terre-Neuve
22.	Acte de l'Amérique du Nord britannique (N° 2), 1949, 13 Geo. VI, c. 81 (R.-U.)	La loi est abrogée.	
23.	Acte de l'Amérique du Nord britannique, 1951, 14-15 Geo. VI, c. 32 (R.-U.)	La loi est abrogée.	
24.	Acte de l'Amérique du Nord britannique, 1952, 1 Eliz. II, c. 15 (Canada)	La loi est abrogée.	
25.	Acte de l'Amérique du Nord britannique, 1960, 9 Eliz. II, c. 2 (R.-U.)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé : *Loi constitutionnelle de 1960.*»	Loi constitutionnelle de 1960
26.	Acte de l'Amérique du Nord britannique, 1964, 12-13 Eliz. II, c. 73 (R.-U.)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé : *Loi constitutionnelle de 1964.*»	Loi constitutionnelle de 1964
27.	Acte de l'Amérique du Nord britannique, 1965, 14 Eliz. II, c. 4, Partie I (Canada)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé de la présente partie : *Loi constitutionnelle de 1965.*»	Loi constitutionnelle de 1965
28.	Acte de l'Amérique du Nord britannique, 1974, 23 Eliz. II, c. 13, Partie I (Canada)	L'article 3, modifié par le paragraphe 38(1) de la loi 25-26 Elizabeth II, c. 28 (Canada), est abrogé et remplacé par ce qui suit : «3. Titre abrégé de la présente partie : *Loi constitutionnelle de 1974.*»	Loi constitutionnelle de 1974

SCHEDULE I

to the

CONSTITUTION ACT, 1981—*Concluded*

Item	Column I Act Affected	Column II Amendment	Column III New Name
29.	British North America Act, 1975, 23-24 Eliz. II, c. 28, Part I (Can.)	Section 3, as amended by 25-26 Eliz. II, c. 28, s. 31 (Can.) is repealed and the following substituted therefor: "3. This Part may be cited as the *Constitution Act (No. 1), 1975*."	Constitution Act (No. 1), 1975
30.	British North America Act (No. 2), 1975, 23-24 Eliz. II, c. 53 (Can.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Constitution Act (No. 2), 1975*."	Constitution Act (No. 2), 1975

And on the amendment thereto of The Minister of Indian Affairs and Northern Development,—That the proposed *Constitution Act 1981* contained in the motion in the name of the Minister of Justice (Government Business, Government Motion No. 56), as printed in the *Order Paper* of Monday, November 23, 1981, be amended

(*a*) by adding, immediately after line 19 on page 24 of the *Order Paper*, the following:

"PART II

RIGHTS OF THE ABORIGINAL PEOPLES OF CANADA

35. (1) The existing aboriginal and treaty rights of the aboriginal peoples of Canada are hereby recognized and affirmed.

(2) In this Act, "aboriginal peoples of Canada" includes the Indian, Inuit and Métis peoples of Canada."

(*b*) by renumbering the subsequent parts and clauses accordingly.

And on the amendment to the amendment of Mr. Fulton, seconded by Mr. Broadbent,—That the amendment be amended by deleting the word "existing".

ANNEXE I (*fin*)

LOI CONSTITUTIONNELLE DE 1981

	Colonne I Loi visée	Colonne II Modification	Colonne III Nouveau titre
29.	Acte de l'Amérique du Nord britannique, 1975, 23-24 Eliz. II, c. 28, Partie I (Canada)	L'article 3, modifié par l'article 31 de la loi 25-26 Elizabeth II, c. 28 (Canada), est abrogé et remplacé par ce qui suit : «3. Titre abrégé de la présente partie : *Loi constitutionnelle nº 1 de 1975*.»	Loi constitutionnelle nº 1 de 1975
30.	Acte de l'Amérique du Nord britannique nº 2, 1975, 23-24 Eliz. II, c. 53 (Canada)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi constitutionnelle nº 2 de 1975*.»	Loi constitutionnelle nº 2 de 1975

Et sur l'amendement du ministre des Affaires indiennes et du Nord canadien,—Que le projet de *Loi constitutionnelle de 1981* qui figure dans la motion du ministre de la Justice (Affaires gouvernementales, motion nº 56 du gouvernement) parue dans le *Feuilleton* du lundi 23 novembre 1981 soit modifié par:

a) insertion, après la ligne 19, page 24 du *Feuilleton*, de ce qui suit:

«PARTIE II

DROITS DES PEUBLES AUTOCHTONES DU CANADA

35.(1) Les droits existants - ancestraux ou issus de traités - des peuples autochtones du Canada sont confirmés.

(2) Dans la présente loi, «peuples autochtones du Canada» s'entend notamment des Indiens, des Inuit et des Métis du Canada.»;

b) les changements de numéros de partie et d'article qui en découlent.

Et sur le sous-amendement de M. Fulton, appuyé par M. Broadbent,—Qu'on modifie l'amendement en retranchant le mot «existants».

Hon. Erik Nielsen (Yukon): Before you leave the chair, Madam Speaker, since ten o'clock last night, when I was recognized, there have been developments that require my further consideration before participating in the debate. I would therefore ask that in my stead you recognize our critic for Indian affairs, the hon. member for Wetaskiwin (Mr. Schellenberger).

Madam Speaker: I will recognize him if he rises.

Mr. Pinard: Madam Speaker, we on this side will be glad to agree to that, because unanimous consent is required. In addition, I would like to confirm that there were talks among the representatives of the parties. It seems there will be unanimous consent that the length of speeches on the subamendment be limited to 20 minutes, beginning now. I would like confirmation of that. This seems to be the case from discussions I had with the hon. member for Yukon (Mr. Nielsen) and the acting House leader for the NDP.

Mr. Nielsen: That is agreeable, Madam Speaker.

Mr. Deans: Madam Speaker, we have no objection to reducing the length of the speeches. I understood that was with an eye to voting on the subamendment and the amendment before six o'clock this evening.

Mr. Pinard: Madam Speaker, we certainly do not object to voting on the amendment and subamendment at six o'clock today. I understand the hon. member for Yukon is in a better position to speak on behalf of his party.

Mr. Nielsen: Madam Speaker, when I became House leader, in my first meeting and in a subsequent meeting with the government House leader and the acting House leader of the NDP I assured them that the discussions between us would be confidential and not exposed on the floor of the House of Commons.

This is the first breach of that confidentiality. It does not bode well for our future discussions if that kind of exposure is going to take place. I am talking about the submission just now made by the acting House leader of the NDP relating to discussions which were had between the government House leader and him and the government House leader and me separately, but in the nature of a House leaders' meeting. That kind of thing is not going to help co-operation in the House of Commons.

When I use the term confidentiality, that is exactly what I mean, that discussions will remain confidential. Otherwise we will get into the kind of hassle that was evident prior to the summer recess on the floor of this House of Commons with respect to negotiations, and I do not think that is at all helpful.

[*Translation*]

Mr. Pinard: Madam Speaker, I am afraid there is a misunderstanding and that the facts are being misinterpreted by the hon. member for Yukon (Mr. Nielsen). First of all, he is referring to the situation before the summer recess, when his hon. predecessor initiated some memorable agreements. In my opinion he would perhaps find it helpful to follow the example of his predecessor, because we did, in fact, obtain very satisfactory results that have been beneficial to Parliament and to this country. I would therefore urge him to take a leaf from the book of the hon. member for Nepean-Carleton (Mr. Baker). He also mentioned that we had an understanding that the contents of our discussions were not to be revealed, and I certainly do agree. In any case, I am the one who made the request in the first place. However, I think that what the hon. member failed to understand when the hon. member for Hamilton Mountain (Mr. Deans) mentioned the possibility of having a vote at six o'clock this evening on the subamendment and the amendment is, that, as I understand it, the hon. member for Hamilton Mountain did not disclose the contents of our discussions. He was referring to what seemed to him to be a procedure that would be acceptable to all the parties.

I agree that the contents of our discussions should not be disclosed. On the other hand, it is very difficult when an agreement is reached to avoid revealing its substance if we want it to be approved by the House. In these circumstances, I can assure the hon. member for Yukon that, in the future, we shall be very careful not to offend his sensibilities, but we also want to be practical. Some of our agreements will have to be made public if we want them to be approved by the House. We shall have to properly define what constitutes an agreement and what constitutes a discussion. Once that is settled, I am more than willing, and I also would ask the hon. member, to respect the confidentiality of our discussions. There are some areas, of course, where we must be flexible enough to understand that we are so close to reaching an agreement that there is nothing against mentioning the discussions that have just taken place. In this case, I assumed that we were agreed on a 20-minute limit on speeches. The hon. member for Yukon left the floor, we discussed this privately and he did not hold it against me. He said: Yes that is true, we do agree. We did not agree on this point in the meeting but we finalized the matter here. I assume that what the hon. member for Hamilton Mountain said about the vote on the subamendment and the amendment being held at six o'clock this evening was said with the same intent. I want to assure the hon. member for Yukon that we have no intention of disclosing the contents of our

meetings in the future, but we must be flexible enough to accept that once an agreement is reached, we should be able to explain how it was reached, what it was about and how it is to be implemented by this House.

[*English*]

Mr. Nielsen: Madam Speaker, I was not referring to the agreement on 20-minute speeches. That was agreed upon. I was concerned about the subject matter which went beyond that and which was raised by the hon. member for Hamilton Mountain. The government House leader left me with the impression that that would be the subject matter of further discussions this afternoon. That was going to be discussed privately. We were in a three-way conversation as House leaders when that discussion took place.

I am not going to stand idly by and see any political manoeuvring by these two parties that are in bed together in an effort to embarrass us. I am prepared to sit down at any time with the other House leaders in a confidential way to discuss ways and means of expediting House business, but if we cannot have confidentiality in those meetings and discussions, the whole purpose is destroyed.

I agree with the government House leader that at the appropriate time, should a House order be necessary, or should it be necessary to inform all members of the House what the business is going to be and how it is going to be handled, at that time, should it be necessary, the meetings and the subject matter thereof will become public. I have adopted the standard throughout, since our first House meeting, of not discussing anything that goes on there with members of the media or anyone else. My stock answer has been that the discussions that take place between House leaders in House leaders' meetings are confidential. I intend to keep them that way. If we want to start off on a fresh foot and keep them that way, that is fine; that is the way it will be. But if it is the intention to have this kind of byplay that took place today about voting on the subamendment and the amendment today, when those discussions had not yet been completed, as far as I am concerned, between House leaders, then that is the time that House leaders' meetings have lost any useful purpose. If that is the manner in which—

● (1520)

Mr. Deans: Oh, sit down.

Mr. Nielsen: The member for Hamilton Mountain says to me, "Oh, sit down". If the hon. member feels that retaining a high standard of confidentiality in House leaders' meetings—

Mr. Deans: It is not a high standard, it is a lot of nonsense.

Mr. Nielsen: If he thinks that my intention to adhere to that high standard is being an ass, then I can only say to him that he has an entirely different idea of how proceedings here should be conducted in an appropriate fashion.

Some hon. Members: Hear, hear!

Mr. Nielsen: I would like the assurance from the government House leader, since this matter has come up, that he intends to keep those discussions confidential. If I do not get it from him, then I will know how to conduct myself in the future.

Some hon. Members: Hear, hear!

Mr. Pinard: It happens often in our meetings that are not institutionalized that we will have discussions, that we have to go back to our respective caucuses to submit proposals and then come back and make up an agreement. Most of what is said sooner or later is known by our own caucuses and, therefore, is known by the press.

Mr. Nielsen: Not through me.

Mr. Pinard: It is very difficult to keep absolutely confidential what is discussed in our meetings. For example, following our negotiations on the debate of the Constitution, we agreed to consult with our respective caucuses this morning and submit proposals. It is very difficult then to guarantee the confidentiality of what has been discussed in the previous House leaders' meetings if we submit it to all Members of Parliament. I cannot guarantee that his caucus will not keep totally secret what we discuss in our House leaders' meetings.

Mr. Nielsen: Let me draw one example. The government House leader called me to the back of the chamber at about ten minutes to three.

An hon. Member: You are disclosing secrets now.

Mr. Nielsen: We had a discussion in which certain proposals were put to me involving a discussion between himself and the NDP House leader. I have not yet even had the opportunity of informing my leader of the content of those discussions before they were exposed on the floor of the House of Commons. I ask you whether that is decency?

Mr. Deans: I do not quite understand what this is all about.

Mr. Clark: That is right.

Some hon. Members: Hear, hear!

Mr. Deans: First of all, I want to suggest that if it is the intention of the House leader for the official opposition to turn everything into a political wrangle, then he will destroy whatever opportunity there is for co-operation.

An hon. Member: Right on.

Mr. Deans: I want to say further that by rising and indicating that there was agreement for 20-minute speeches, at that point there was an admission that there had been a meeting and that that matter had been discussed. All I was doing was asking whether other matters that had been discussed had been left out inadvertently or whether or not at some subsequent point in time there would be further discussion.

As far as I am concerned, whatever takes place at House leaders' meetings, so far as the House leader for the Tories is concerned, his contribution is zilch anyway.

Madam Speaker: I understand from this exchange that the House has agreed upon a limitation of 20 minutes for speeches. Is this for today or for the entire debate?

Mr. Nielsen: For the subamendment.

Madam Speaker: Agreed and so ordered.

Mr. Stan Schellenberger (Wetaskiwin): Madam Speaker, because of the time limit imposed upon members and the importance of the amendment that is before us today, I would like to limit myself to speaking on the amendment.

This resolution, as we know, has been put before us. Many of us, as individual members, can find reasons why one section or another is not in a sense perfect to us. We feel many should be left out or others included.

One area that is of importance to me as a member, and to many other members in this chamber, has been the leaving out of the aboriginal clause and now the proposal that it be replaced. We want to treat this as a very serious amendment and hope that we can contribute to the thoughts and desires of all parties to deal with this in a serious manner.

I believe it is essential for our aboriginal peoples that their treaty rights be reinstated in this charter. Recently I went over the committee reports at the time the wording of Section 34 was discussed. That was back on January 30. At that time the feeling was evident that this was a very historic moment. It was the culmination of months of lobbying, of years of hard work by the native groups and a determination by all participants finally to come to some conclusion. It was a dedication to a principle. That should not be overlooked.

This process of constitutional renewal has been ongoing for many years. It took a decisive step forward on the evening of October 2, 1980, when the Prime Minister (Mr. Trudeau) in a televised statement began with these words: "A century and thirteen years ago, a group of remarkable people launched a remarkable endeavour. They created a country."

While the Fathers of Confederation indeed did create a new political unit, a new country, Canada, it is sometimes too easy to overlook the obvious. There was not only a land upon which Canada was built in existence in 1867, but there also were the original inhabitants that were here long before any European settlers emigrated to this land. A society, a culture, a way of life, existed in Canada. More precisely, a number of cultures existed in this country. As we now continue with the endeavour, as is provided in Section 36 of this resolution, these aboriginal rights must be defined. It will be a very difficult quest for the provinces, the federal government and the native people to define what are aboriginal rights.

As I said, many cultures existed in this country. As a result, it will be difficult to sit down and make a definition that will cover all of these political entities that existed and what rights they now have because of those in this nation. The indigenous peoples have lived in Canada for thousands of years. When the settlers arrived, they were welcomed. The Indian community never attempted to impose its way of life or its culture on the European settlers at the time. In fact they welcomed those settlers. They allowed them to live in a different culture and climate. They gave them examples and the ability to deal with the country.

• (1530)

Many times they have assisted in the country's advancement over the years. For example, in the war of 1812, some 9,000 Indian warriors fought as allies of Canada. During two world wars 12,000 Indian people enlisted and fought on the side of the allies, and many of them lost their lives.

Even today as a country we have never adequately recognized our native veterans. We created the Indian Act which many felt was paternalistic. We created reserves which placed native people in groups on small tracts of land which, in many instances, we thought were worthless at the time. We did not allow these people the right to vote and to participate in government until recently. At one point we did not allow them the right to drink alcohol. Now we wonder why they are fighting so hard to have their rights entrenched in the Constitution! Basically it is because they never had the rights which we accept as natural since the founding of Canada in 1867.

Many times in our history we have found that the tracts of land set aside were valuable to us. Therefore, we took certain of those parcels on behalf of governments. The cutoff lands in British Columbia are a perfect example. Of course, the natives reacted with realistic suspicion at the time. We entered into the James Bay agreement because we needed a power source, and it became immediately important to settle aboriginal rights. That was also the case with respect to the Beaufort Sea. We wanted to build a pipeline from the Yukon, through Alberta, to the United States; suddenly it became important to deal with the concept of aboriginal rights.

Basically Indian people were immature politically, but they are moving very rapidly to gain political maturity. They virtually had no weapons because they faced a different kind of law from that to which they were accustomed. We imposed our law. They faced a massive culture shock, deplorable living conditions, alcoholism, poverty and unemployment. Now they are faced with being dealt a blow as far as their rights are concerned. Their rights are first in the Constitution, then out of the Constitution. Now they are back in again and one word is included which is causing great concern.

When we give a group of people with such a history some hope that finally an amendment will be placed in the Constitution which will give them some assurance of equal rights and of what are aboriginal rights, and then they find it taken out, is it any wonder they reacted in the manner they did? A strong and courageous voice has developed. Native people marched on the Hill. They displayed a conduct which I wish many other groups would display when marching on the Hill, speaking for their rights.

Some hon. Members: Hear, hear!

Mr. Schellenberger: This is why I am angry when I hear people complain that the reason the rights were removed was because native people could not agree among themselves whether or not Section 34 should be included. They never stated that. They stated that because of the definition clause it was not enough, that it may not mean anything more than they have at the present time. All they have been requesting over the months is something more specific to define legitimate aboriginal rights. Because of that concern and, as I said before, genuine mistrust, is it any wonder they would ask for more as far as recognition of aboriginal rights is concerned? No wonder anger, panic and cynicism engulfed native people when they learned they had been dropped from the charter. At least it is understandable. To them it was the latest in a long line of broken promises. They felt angry and betrayed when they were dropped from the charter. We now find that they are legitimately suspicious of the new word "existing" contained in the amendment.

This word has taken us all by surprise. Many of us are attempting to define it, to find out what it really means. The Hon. Minister of Justice (Mr. Chrétien) and the Hon. Minister of Indian Affairs and Northern Development (Mr. Munro) assured us that it in no way changed the meaning of the text of the amendment before us. It is the same now, with the word "existing", as it was before without the word.

We in our party feel that it is essential to reinstate Section 34, which is now Section 35. We are pleased that that is the case, but we also realize the tremendous importance which is being placed upon the federal government, provincial governments and native people of the land to define what these rights are. If we are to be faced with another impediment, another word such as "existing", it only makes a conference so much more important.

Because of the manner in which the resolution has been drafted and because Section 36 has been included, it is imperative for the House, since nine provinces have signed the accord and there was the unanimous movement of the House to have native rights placed in the Constitution before, to place the heavy burden of faith and hope of aboriginal peoples upon the conference; it is a tremendous undertaking. I know the preparation for the conference will be very important, but it also places upon us as legislators and upon the provinces that signed the accord the obligation to deal in a fair, proper and legitimate manner with the definition of aboriginal rights. That will be the most important part of the conference.

Would it not have been better for the conference to have taken place before, so that we would know with what we are dealing and would not have to flounder about trying to find the meaning of words? Would it not have been better to place before the House the hope that aboriginal rights would be adequately dealt with and adequately defined? We would then not have to return to the House time and time again to question whether or not promises were kept.

It reminds me of the James Bay situation. We signed an agreement to take over certain lands. We included in the agreement various terms of justice which were supposed to be upheld, such as housing and health care. Various moneys were to be paid to eliminate the term "aboriginal rights". Now we find the government is living up to the letter of the law, the meaning of words, but not up to the spirit of the agreement which the aboriginal people of the area and we as members of the committee felt we had discussed in specific terms. We feel we showed some spirit and some reason by which the agreement should have taken place. When we now look at the wording, is it any wonder that native people are justly concerned, organized and lobbying us to do the right thing?

I know time goes very quickly and I have much more I should like to say.

● (1540)

However, I must state that since 1973 this party has stood formally in this House for aboriginal rights.

In 1973 a motion was moved in committee by the member who is now the Leader of the Opposition, the right hon. member for Yellowhead (Mr. Clark). I will read just one sentence from his motion, as follows:

—publicly accept and endorse the said concept of aboriginal title.

That was supported by the two opposition parties at that time. We stand by that, Mr. Speaker, and we have shown this by our intention to move an amendment which we are pleased, through the accord with the provinces, the government has been able to move. Last week when it seemed that aboriginal rights would not be included in the Charter of Rights and Freedoms, my colleagues and I were deeply disturbed. That is why we chose at that time to reintroduce the motion on Section 34.

When the Constitution is finally patriated and Canadians have their Charter of Rights and Freedoms and have a just method of amending the Constitution in Canada, how sad it would have been if not all Canadians could share in the pride and happiness of that event. How tragic it would have been if one group of Canadians felt that they had been excluded and if that group should have been the aboriginal peoples. That situation would have been unacceptable to more than the native peoples; it would have been unacceptable to this national Parliament and this nation.

The time is now right for us to act responsibly by entrenching aboriginal rights in the Canadian Constitution, thus putting an end to the injustices of history, of which none of us is proud, and replacing them with a positive change—with an act of good faith. That good faith must come from the provinces, the federal government and the native peoples if we are ever to solve this problem. I hope that will be soon, Mr. Speaker.

Some hon. Members: Hear, hear!

[*Translation*]

Hon. J.-J. Blais (Minister of Supply and Services): Mr. Speaker, not only is it a pleasure for me to rise, but I appreciate being able to participate in this debate today. It is of course a historic occasion, particularly on Saint Catherine's Day which gives a very special meaning to the debate. Mr.

Speaker, I was in the House last Friday when the Minister of Justice (Mr. Chrétien) introduced the amended resolution. I felt there was in this House a consensus the likes of which I had never seen before on such a basic question. Naturally it took quite some time to reach an agreement, but the events of last Friday really warmed one's heart because all members on both sides of the House readily accepted the promises made by the Minister of Justice.

If we consider the role played by the Minister of Justice, Mr. Speaker, we really have to extend our congratulations to him for what he did and for his contribution to the events we are witnessing now. He was the chief negotiator for the government, he worked long and very hard and never gave up, Mr. Speaker, until he had finally completed this arduous task. I have also read in yesterday's *Hansard* the remarks made concerning the aboriginal rights and the answers given by the Minister of Justice. I find it difficult to understand why members opposite should raise objections about one additional word, the word which means the existing aboriginal rights, that is to say those which are confirmed by Canadian history. Indeed, if we are talking about aboriginal rights, about treaty rights, it is because those rights do exist.

We cannot expect the creation of ancestral or aboriginal rights in the near future because, after all, when we are talking about the nature of ancestral rights we imply that those rights used to belong to our ancestors and since they are no longer with us the rights must have belonged to those ancestors who, of course, have since died. Considering that we cannot talk about future rights, I do not see anything wrong with that additional word. If it was added, as the Minister of Justice has already said, it was indeed to make explicit something which was already implied in Section 34 when it was inserted in the first constitutional proposal. The word "existing" has now been added simply to meet the requirements of certain provinces that wanted a more specific wording. Moreover, when we say that we are grateful to the Minister of Justice, it is obvious that the architect of the constitutional proposal, its principal mover, namely the Prime Minister of Canada (Mr. Trudeau), deserves the thanks of all Canadians for the efforts he has put in this project. It is because of his foresight, his sense of history, his love of justice, his persistence and his patience that we now have before us a constitutional proposal of such scope.

The contribution of the New Democractic Party, and especially of its leader, should be singled out because last year, when we were looking for support, it was the New Democratic Party and its leader who gave us that alliance, that support which proved essential to maintain the principles included in the constitutional proposal. The leader of the NDP showed a lot of courage because he did not have the support of all his caucus, and we know that there were divisions within that group for some time. He held on and even confronted his own members. We are also all indebted to the premiers of the anglophone provinces. They have helped us achieve the final consensus and they have also agreed to the compromises which were essential to achieve it. I am personally grateful to them for having agreed to Section 23 of the Charter of Rights. As you know, Mr. Speaker, Section 23 is very sensitive because it guarantees the educational rights of francophones outside Quebec.

As recently as 12 months ago, who would have believed that the English-speaking provinces and their governments would agree to submit freely to the requirements of Section 23 and to relinquish part of their jurisdiction in the field of education as provided in Section 23? For my part, I would not have believed it, because of my long experience of the manner in which francophone minorities outside Quebec were dealt with. I have already told the House of my experience at school when I was unable to attend a French secondary school in Ontario. Since all this has already been put on the record of the House, I will not repeat it. However, Mr. Speaker, I had another experience as a young lawyer in Toronto. I was then approached by French-Canadian parents from Midland, in Simcoe county, who wanted French language education in that county, not even at the secondary level, only at the primary level. At that time, you had to apply to the separate school board for this right. Our request was turned down. I then went before the separate school board in Simcoe county in Ontario, where there is a large proportion of francophones, to ask for French schooling. Our request was firmly denied. The members of the school board were very nice and very polite, but they were under no obligation to recognize these rights which we had always considered as ours. When I was a young lad, we, Franco-Ontarians thought that we had a right to be educated in our mother tongue. But that right was not clearly expressed in the Constitution. What we have done now is to precisely spell it out.

● (1550)

Furthermore, with regard to secondary education, when I was in Toronto, I sat on the advisory committee on French language whose purpose was the establishment of a French high school. That took four years of hard work, Mr. Speaker. In a large city like Toronto, where there are two million people and 60,000 French Canadians, there was a real need for such a school. Yet that process took four years. I have also seen the frustration experienced in communities throughout Ontario when they tried to set up French schools. Why? Because this came under the local school boards and not the provincial government as such. Everything was almost in complete chaos. Yet, all that is past now because Section 23 recognizes minority language rights. Despite the reservations some may have, I am quite pleased with the "where numbers warrant" provision. Rights are guaranteed but there has to be enough students to justify the setting up of French classes or of a French school. What pleases me is the fact that the "where numbers warrant" provision will be interpreted generously by anglophone provinces, precisely because they have accepted Section 23. They

will therefore be willing to give a generous interpretation to that provision so that as many students as possible can exercise that right.

The second reason why I am not too concerned with the "where numbers warrant" provision in Section 23 is that it will be up to the courts to enforce it. In his speech, the Leader of the Opposition (Mr. Clark) expressed the hope that provinces would be generous in their interpretation of that section. I hope so too. But he forgot to add that if provinces are not generous in their interpretation, that is not the end of it, since reference will be made to the courts for their interpretation, and those courts will be bound by Sections 16 to 20 of the Charter. It is precisely in Sections 16 to 20 that for the first time in our history, the official status of both French and English is entrenched. Therefore, when French minorities in anglophone provinces ask for French education, at either grade school or high school level, they can expect to have the same rights, in the final analysis, as the English majority of those same provinces.

Indeed, if a French community wants a French school, the criteria used, as far as numbers are concerned, will be the same as would be applied for an English community asking for an English school. That is normal. It is clear and understandable. That is precisely how the court will interpret this provision. No discrimination will be made between a rural and an urban region, because the criteria applied to a rural community for English schools are the same as those applied to an urban community, and the same goes for French communities. Therefore, Mr. Speaker, I see no problem with the "where numbers warrant" provision. Of course, I would have preferred that the phrase be deleted, but it was not possible and there it is. French groups outside Quebec might now find an interpretation to that phrase in favour of the establishment of French schools throughout English Canada to serve French Canadians that would like to attend them. Mr. Speaker, I was therefore somewhat shaken by the fact that the province of Quebec dropped us francophones outside Quebec, and for once that English-speaking provinces had been generous, they did not also agree to Section 23. Of course, this is disastrous. They did not expect either that English-speaking provinces would agree to Section 23. And they were taken by surprise when the conclusion was reached on French minority rights outside Quebec. They had no reply, although they had undertaken in 1977 to grant equivalent rights to English minorities in their own province. They did not act accordingly.

In addition, I would be less than honest were I not disappointed that Ontario did not choose to follow New Brunswick's example in agreeing to Sections 16 to 20 of the constitutional charter. I hope they will do so in the near future. I can assure that in my capacity as a government member of this House, I will keep on pressing the government to agree to that actual section, not Section 133 because it is not enough, but Sections 16 to 20 of the new Charter of Rights. Just the same, I must point out, Mr. Speaker, that last weekend there was a meeting of the association of French-speaking members of the legal profession in Ontario for the purpose of giving French-speaking lawyers in Ontario the opportunity to compare notes so that they will be ready to practice in the French courts that are being established in Ontario. As you are aware, we have already amended the Criminal Code to provide for French language court proceedings in Ontario, and this is already in place. Also, the province of Ontario has designated a number of areas, including my own, as areas where French language courts are to be established in order that court proceedings can go on in French, not only in criminal matters but also in civil matters.

Some would have wished that government had forced Sections 16 to 20 on the province of Ontario. However, I read yesterday in the newspaper *Le Droit* an editorial that I would like to share with this House, because I agree with it and I also feel it is very informative, and I quote:

> But can the federal government be blamed for not going still further? Should it get involved more deeply into exclusive provincial domains? Already the Quebec government is indignant because school safeguards granted religious groups 114 years ago are extended to language groups. Any consensus between the provinces would then be impossible.

Two options are open to the Federation of French-speaking Canadians outside Quebec. In effect, the editorial attacked the Federation, which is fighting for the adoption of Section 133 in Ontario.

> The FFHQ is left with two possibilities. First, it could do its utmost to convince Pierre Trudeau to strike a heavy linguistic blow and in total defiance of the provinces, to unilaterally introduce in Westminster an omnibus constitutional motion with the sole support of the federal Liberals and I even doubt that they would all agree to it. It would be political suicide to disregard provincial jurisdictions for the sake of coast to coast bilingualism. Second, the FFHQ could get ready for the second phase of the constitutional reform where provincial jurisdictions and political institutions will be specifically discussed.

Mr. Speaker, I must say at once that I agree with the editorial. Secondly, I think it gives a proper direction to the FFHQ which, with all other French-speaking institutions in various English-speaking provinces, should change its policy and instead of zeroing in on the amendments made to the Canadian constitution, they should try to inform the various provincial governments, to prepare various French minority groups for their application to governments, and school authorities, to draw up files to assist public authorities unfamiliar with minority language education. They should begin to educate public authorities in English-speaking provinces with a view to enabling them to adjust when they show some reluctance. They should also indicate to French-speaking minorities how to take advantage of Section 24, which allows them to go to court to have their rights confirmed.

As I have said before, I would have liked to see the whole package in force in English-speaking provinces. However it is impossible! Back home, however, we say that a bird in the hand is worth two in the bush. We know that the bird we have in hand is a big one. We also know that we must protect it and

use it to try to catch the one in the bush. That bird in the bush we will certainly catch, because we are indeed very determined to do so. What is great about the constitutional package is that for the first time the right to education for francophones is clearly spelled out and enshrined. It never had been before. There used to be separate school systems; now, French-speaking Canadians outside Quebec and English-speaking Canadians within Quebec are clearly identified as linguistic minorities. Mr. Speaker, this will allow all Canadians, whether French or English speaking, to choose freely the place they like most and may want to call home.

Mr. Speaker, we owe a tremendous debt of gratitude especially to the Right Hon. Prime Minister who, as I indicated earlier, has not only elaborated a framework for the future of Canada on the basis of its past history, but succeeded in securing the consensus of all Canadians on his action. Mr. Speaker, I suggest that no Canadian will ever be too grateful for that. I, for one, thank you for granting me a few additional seconds, Mr. Speaker, and I say to you that the times all Canadians are living now are most favourable and promising.

• (1600)

[*English*]

Mr. F. Oberle (Prince George-Peace River): Mr. Speaker, I am glad to have a few moments to participate in this part of the constitutional debate which concerns the rights and privileges of our native peoples in their own country. The longer we carry on this discussion about the Constitution, the more evident it becomes that we were right when we said we should patriate the Constitution, that we should agree on an amending formula and then bring the Constitution home to broaden the discussion about other matters. These include the Charter of Rights and Freedoms, matters which profoundly affect individuals, matters which profoundly affect the relationship between the individual and the state and matters which affect individual groups in our society, such as our native people.

Our native people do have a very special position in our society in Canada. They are aboriginal people. They have been in this country since time immemorial. Not only that, they have made a valuable and important contribution to this country. Our aboriginal people have played an important part in our early history and in the evolution of what we now consider a great and important nation in a community of nations in the world. It is said that had it not been for the Indians, the province of Ontario may not have been an English province. It is said that if it were not the residents in the Arctic and their traditional rights and pursuits, we would have had no justification to proclaim sovereignty in the Arctic.

Certainly all of us know that had it not been for the Metis and Louis Riel in Manitoba, that part of the country may not be as it is today.

In 1973 this party achieved in this House the recognition of the concept of aboriginal rights for the first time. Before that and certainly since then the courts have tried to come to grips with the definition of "aboriginal rights". If one takes a look at the proclamation of 1763, aboriginal rights have something to do with property. No one doubts that. But are aboriginal rights only to do with property? What about cultural rights? What about religious rights? Some courts say that aboriginal rights only concern property rights. But if aboriginal rights have something to do with religious and cultural rights, why did we allow the missionaries to take our native peoples to the river to baptize them in the name of the Father, the Son and the Holy Ghost?

That certainly was not a solution to their problem. They have their own religion and they have their own culture. Their culture is one that cannot co-exist with the western civilization because it is something quite different. Their culture is one which moves in harmony with nature whereas the culture and basis of western civilization is a culture that has taken upon itself to manage nature to its best advantage. Therefore, the native culture and the western culture cannot co-exist.

If we were to give our native people some cultural integrity, we would have to back that up with constitutional rights. Everything else means assimilation and integration. We would be lying to our native people if we told them that we were not asking them to assimilate and to integrate by not protecting their cultural rights. I have already said their culture cannot co-exist with that of the western culture in our Constitution. It is for that reason that natives in our country need special protection.

• (1610)

Natives are not the only group that needs special protection. In Quebec there are the special circumstances of the French culture and language. That is why some of us have now agreed that there needs to be special protection and recognition in the Constitution of the reality that there are six million French-speaking persons in North America and 260 million English-speaking persons. This is a special problem which requires special consideration. That is why I am saying native people deserve and must have special protection in the Constitution.

What should that protection be? Is it good enough just to say that we will recognize and affirm the concept of aboriginal rights when we have not taken the time to give a definition to that concept? What is the rush now? We have an accord to patriate the Constitution and an amending formula. Why can we not sit down and define aboriginal rights, which we recognize do exist, before we take the final step? The Minister of Justice (Mr. Chrétien) and the Prime Minister (Mr. Trudeau) tell us there is no need for that because they are deeply committed to sit down with the aboriginal peoples and talk about their rights and put a definition on those rights as soon as the Constitution is patriated. If I were the Prime Minister I would have no problem agreeing with that, but I am not the Prime Minister; nor was I the Prime Minister or an agent of Her Majesty the Queen when the treaties which were never kept were signed.

If we look back 80, 100 or 200 years when the treaties were signed, at least we asked the native people to sit down and discuss what was being signed. Some of these treaties were

peace treaties because the natives were at war with the settlers who were moving on to their land and arrangements had to be made to keep the peace. Not only that, the government said that whatever was agreed to, whether it be a box of shells, a Hudson Bay blanket or a medical chest, would be written down and signed.

That is not so with this Constitution. The Constitution will be brought back, the government will sit down with the native peoples and talk about the future of their culture and language, but there will no longer be any consent or signature required. The nine Premiers and the Prime Minister will decide and say: "We are your guardians forever; we do not need your signature any longer". That is why I am saying that this Constitution cannot work without a consent clause, because natives have special problems. These problems cannot be compared with women's rights or other political rights. There must be a consent clause as there was at the time we were negotiating the treaties.

Many members have discussed this crucial word "existing", which, as they say, is totally meaningless, if you listen to the advice of the Minister of Justice and the Crown counsels. This word "existing", which is now the subject of this amendment, was inserted by the Minister of Justice. The minister told us yesterday that we do not have to worry about a thing because it is totally meaningless. If I know anything about law, Mr. Speaker, it is that legislatures are not supposed to put meaningless language into law. Logic tells me that if the word is meaningless, then it should be taken out.

I say that it is dishonest for the Minister of Justice to stand in the House and say that the word "existing" is meaningless, because if it were it would be his duty to take that word out. It is not for us to give the Supreme Court language in our fundamental law that is meaningless. You know as well as I do, Mr. Speaker, that the words "existing rights" are not at all meaningless.

The premiers have decided among themselves that the native people are getting everything to which they are entitled now and nothing else. The status quo is what the native peoples will be dealing with. The premiers say: "If the status quo is property rights, we will find them some property somewhere to hunt and fish until we need that property for drilling and developing resources. Then we will find somewhere to push them, farther away, somewhere where the rats and caribou are." If "existing rights" means cultural and language rights or religious rights, they certainly do not exist right now so there is little hope for those rights to exist in the future.

I feel very deeply and emotionally about this issue. I find it very difficult to reconcile what we are doing here with my conscience. I cannot believe that this national disgrace should be allowed to exist for another hundred years. I cannot believe that we should continue to make ourselves the target for condemnation by international tribunals to which our native peoples have found access. These tribunals have agreed with our native peoples that they are being treated as second-class citizens and that we have commited an act of cultural and religious genocide. I cannot believe that this nation, as proud and rich as it is, can afford to let that kind of disgrace continue in the future.

I suggest that we must take steps today to correct this imbalance. I question the integrity of those who have asked to have the word "existing" added to the resolution. I question the integrity of those who will not give the native people at this crucial time in our history the right to consent to matters which affect no one else but themselves, to consent to changes in our fundamental law which will have no effect on anyone but them. What this means is that we are no more sincere in coming to grips with the very special rights of our aboriginal people in this country than we were when we signed the initial treaties.

I do not have any faith in the conferences that are to be conducted for the purpose of putting a definition on the term "aboriginal rights". We have recent examples of why there should be doubt and mistrust. We only have to look at the James Bay agreement for an example. It is not so long ago that we sat here and talked about that. There were just a few of us in the House who sounded warning signals at that time and we were right. The treaty was signed and then forgotten about. These meetings will continue, Mr. Speaker, and the native peoples will be able to participate, but the decisions about their lives, their future and their culture and religion will be made by people who have very little understanding, if any, of the real problems of our two cultures. Our two cultures can only co-exist if one develops respect for the other. The rights of these cultures must be entrenched in the basic law of the country.

If we cannot have any faith in what the premiers are going to do after the Constitution is patriated, certainly the courts have been given a clear direction regarding what they are to do. They are to legislate the status quo since the words "existing rights" are in the Constitution. Existing rights have not helped our native peoples achieve self-determination in the future.

If we are not prepared to accept the status quo, I say let us defeat this amendment. I find myself in a very difficult position because we have been told that unless this word stays in the resolution, the accord could be fractured. Well, I will not develop any pride in our Constitution if my neighbours have to live in abject poverty and deprivation, as the native peoples whom I represent in Parliament do and as they have done for the past 300 years since the white man took over their land.

I cannot be proud of my country when that kind of situation exists. I will find it difficult to consent to something like this and I would go so far as to say that I do not care if this accord is broken or not. I am ashamed of what we have done to our native peoples in the past and I will fight for them in the future, as I am now.

The Constitution

● (1620)

[*Translation*]

Mr. Pierre Deniger (Parliamentary Secretary to Minister of State (Multiculturalism)): Mr. Speaker, over a year ago I told the minister responsible for the constitutional reform that I intended to take part in this historic debate. Finally, after an incredibly long debate in this House and after over 500 hours of proceedings and public hearings at the joint committee, I finally have the honour to share my vision of our country and of our constitutional charter with the Canadian people.

Mr. Speaker, during the past year, I may have prepared as many as three speeches to be delivered in this House. I believe that if they had been delivered at the time they were written they would surely have seemed quite relevant.

The events being what they are, those speeches are no longer relevant and I had to write a new one in the past few days. The political conditions have so drastically been altered, Mr. Speaker, that you will understand why my comments are particularly directed to Quebecers. In my previous speeches, I had never questioned the necessity under the present political circumstances of a Charter of Rights and Freedoms. Moreover I had examined at length the European Convention for the Protection of Human Rights and Fundamental Freedoms signed in Rome on November 4, 1950. And if you will allow me one digression, Mr. Speaker, I would say that our charter, although there is no such provision at present, will in the future require not only a commission of human rights but also a special court such as the European Court of Human Rights to ensure the enforcement of our Charter of Rights and Freedoms. However, Mr. Chairman, there is no doubt that as far as the contents of the charter are concerned with the recognition of native rights and sexual equality, it is a greatly improved paper. It is now a much more valuable resolution than it was last week and it can be favourably compared with any charter, especially the European Convention.

The most important fact this day, on November 25, Mr. Speaker, is that we are on the verge of voting in the Parliament of Canada on a constitutional resolution patriating our Constitution to which has been added an amending formula and a Charter of Rights and Freedoms. I must admit that in spite of the fact that I am certain that Canada will be a greater country once the resolution is passed and our constitution is patriated, I must say that as a federal member representing a Quebec constituency, I am disappointed and sorry that Quebec, on account of its separatist government, is not a party to this agreement. Not only as a Member of Parliament but also as a Quebecer I had to decide what kind of Canada I wanted for today and especially which one I wanted for my children. And my choice is clear: I choose our motion, our constitutional resolution which is, in my view, a true Canadian vision that has nothing to do, of course, with that of René Lévesque and his separatist government.

I want a Canada which will be far greater for having a Constitution which recognizes and exemplifies our national identity. When I attended the Saint-Jean seminary in Quebec, Mr. Speaker, they used to teach Greek philosophy, and especially Aristotle, and I remember that in one of his books, Aristotle had this to say about constitutions, which is quite relevant to what we have before us today, and I quote:

A good constitution must express the identity of a nation and also promote the establishment and stability of a just and orderly society.

But in expressing its vision for the future, Mr. Speaker, a good constitution for Canada must recognize the successes and failures of our past history, that is, a Constitution committed to the ideals of tolerance, diversity and dissidence, a vision that is affected as much by the deportation of the Acadian people as by the French school issue in Manitoba, as much by Louis Riel's rebellion as by the involvement of the Canadian Armed Forces in peacekeeping duties, as much by the detention of Canadians of Japanese descent during World War II as by Canada's international image as a peace-loving country. Mr. Speaker, we need a Constitution which reflects fundamental values and reiterate the truly Canadian views expressed by Sir Wilfrid Laurier when he wrote, and I quote:

I will devote my whole life to achieving reconciliation, harmony and understanding among the various elements of our country.

I think that we are indeed very lucky that our Prime Minister is a worthy successor to Laurier in word and deed. He had to be a very courageous and ambitious man, Mr. Speaker, to attempt, after 54 years of repeated failures, such a giant constitutional step forward. It would have been easy for him to abandon or postpone the constitutional reform, and only a leader who really understands Canada, our country, its differences and needs, could also understand that the time to act and move forward had come if one believed in the future of Canada. Finally, Mr. Speaker, we will have a constitution that we can call our own.

Only a few days before the dramatic breakthrough of November 4, a book appeared in Canada which summarizes my vision of our country. As indicated by the very title of this book, "Fragile Freedoms", by Justice Thomas Berger, who is well known in Canada for his tolerance and far-sightedness, our fundamental freedoms have long been very fragile realities for minority and dissident groups in Canada, and although this alone could warrant the entrenchment of a charter of rights, my position differs from that of Mr. Lévesque on another point, and it is the extreme importance of having rights and freedoms granted to all Canadians. That is why I unreservedly support this excerpt from Justice Berger's book, and I quote:

[*English*]

If every Canadian is not to enjoy freedom of conscience, of speech, of religion, of association and assembly, as necessary incidents of citizens, and the federal state does not include express provisions for the safeguarding of fundamental freedoms throughout Canada, freedoms common to every citizen and enforceable equally in every province, then what is the point of our remaining together? What is the common bond—what are the common values—that hold us together?

[*Translation*]

Unfortunately, Mr. Speaker, the separatist government in Quebec claims that no common values are strong enough to justify Quebec's presence within confederation, and that over the short term, as far as it is concerned, the only thing of value might be an economic association. Mr. Speaker, with that kind of principle or policy, it would indeed have been amazing for Mr. René Lévesque to sign the constitutional agreement with the Canadian government, regardless of what offers were made. The unanimous agreement of the ten provinces and the central government, the government of Canada, on a series of common values that would serve as the very foundation of federalism, would be in obvious contradiction with the description of Mr. Lévesque, the one he refers to so often and which he quoted repeatedly in his book "Option Québec", in which he compares Quebec and Canada to two scorpions in the same bottle. It therefore seems obvious that Mr. Lévesque and his separatist party are prisoners of their own rhetoric.

Mr. Speaker, is there then such a thing as a possible and acceptable constitutional pact? I must confess that, to my mind, there cannot be any for Mr. Lévesque. He and his separatist government have failed the test of good faith. I have no intention, Mr. Speaker, of repeating the gesture of our Prime Minister (Mr. Trudeau) who, in Quebec, two weeks ago, threw him a line. But the door was opened on November 4 last. Today, even as I am speaking, it is still open and will continue to be even after the final vote is taken on the resolution. And if it is, Mr. Speaker, at this time when we are so close to the vote, when we are fed up to the gills with constitutional talk, that is because the people of Quebec, those who send us here to Ottawa and those who elected Mr. Lévesque in Quebec want to keep it open, want the talks and negotiations to resume. Still, the Quebecers are those who bear the brunt of the door that remains closed in the separatist camp, Mr. Speaker.

Mr. Lévesque made three objections to the Canadian agreement signed on last November 4. I should like to dwell briefly on the one that strikes me as the most fundamental in terms of the vision I have of Canada. What obviously flies in the face of the philosophy of the Parti Québécois are the mobility clauses as they would apply to Quebec. And yet, there is no doubt the people of Quebec will benefit from them. Maybe more than any other province, because unfortunately, we have seen in recent years provincial legislatures pass legislation restricting manpower mobility. It is also obvious that in the very short term all provinces would have had to pass such legislation with the result that workers would have been prisoners within their own province, their only consolation being that their fellow workers in their province would have shared their lot.

What are we proposing, Mr. Speaker? We are proposing that all Canadian workers, and especially Quebec workers, whenever they cannot find employment in Quebec, could move to greener pastures, in Alberta or elsewhere, in order to get some work, to earn a living, to have their children educated in French, and to return to Quebec some day if they wanted to. Of course, those workers who stay in Quebec, precisely because of the amendment proposed by the province of Newfoundland in a genuine spirit of federation, would be protected here as long as the province did not have full employment, and thus the province of Quebec is now protected. On its face, this makes so much sense and it is so evident we must ask why the PQ is against it. Well, it is clear their opposition stems from the fact that this stands for a united Canada, an open Canada while they want a closed-in Quebec, an isolated Quebec. That kind of Canada the separatists cannot accept. What is at stake is the lot of all Canadians, including Quebecers. That lot must be improved, at the cost of entering into an agreement with the Canadian government. And this is something the Quebec government is not willing to do.

The references to us Quebec Members of Parliament being traitors, bums, gangsters and thieves point to a lack of arguments and a reliance on rhetoric. It is ignoring public opinion, Mr. Speaker, because the population is fed up with family quarrels, because all that bickering and aggravation are going on between Quebecers.

But let me conclude by quoting Laurier once more, because this explains why Lévesque cannot sign, and expresses our challenge, as Members of Parliament from Quebec and I quote:

> We are French Canadians, but our country is not confined to the territory overshadowed by the Citadel of Quebec; our country is Canada; it is the fertile lands bordered by the Bay of Fundy, The Valley of the St. Lawrence, the regions of the Great Lakes, the prairies of the west, the Rocky Mountains, the lands washed by the famous ocean where breezes are said to be as sweet as the breezes of the Mediterranean, our fellow-countrymen are not only those in whose veins runs the blood of France.
>
> They are all those, whatever their race or whatever their language, whom the fortunes of war, the chances of fate, or their own choice have brought among us. As far as I am concerned, those are my fellow-countrymen. I am a Canadian. The rights of my fellow-countrymen of different origins are as dear to me, as sacred to me, as the rights of my own race. What I claim for us is an equal place in the sun, an equal share of justice, of liberty; that share we have it; we have it amply, and what we claim for ourselves, we are anxious to grant to others.

Well, Mr. Speaker, that is our role here. Such a role Mr. Lévesque and his government would deny us. They are jealous indeed because they are truly isolated. They are locked in. And I want to ensure all the constituents of Laprairie and all Quebecers that once this resolution is passed, it will only be a starting point because every day, with a Constitution that will be here in Canada where it may be amended freely, we are going to strive together to improve the lot of all Canadians, and this includes all Quebecers.

● (1630)

[*English*]

Mr. Robert C. Coates (Cumberland-Colchester): Mr. Speaker, when I was first elected to the House of Commons in 1957, almost a quarter of a century ago, my leader, the Right Hon. John G. Diefenbaker, displayed the same deep sense of

commitment for fundamental rights and freedoms of individual Canadians as has been projected by the present Prime Minister (Mr. Trudeau). Mr. Deifenbaker's commitment to a Bill of Rights for Canadians came from his ethnic background and personal experience as a lawyer and politician. It was Mr. Deifenbaker's lifelong ambition to make Canadians who are not of English or French extraction comfortable as Canadians.

The present Prime Minister has indicated by his words and actions the same type of commitment and concern for Canadians of French origin. I know what a special day it was for Mr. Diefenbaker and for Canadians when the Bill of Rights was introduced in the House of Commons on July 1, 1960, and again when it was proclaimed on August 10, 1960, but the Bill of Rights never realized its full potential as the protective statute it was meant to be, much to the chagrin and frustration of Mr. Diefenbaker.

First, it was a federal statute and thus did not relate to provincial affairs unless provinces passed enabling statutes. Some did, others did not. Second, the Bill of Rights was never given the priority consideration Mr. Diefenbaker had hoped and anticipated it would receive by the Supreme Court of Canada.

There were examples where it was a protection to Canadians, such as the *Drybones* case, but all too often the protections offered individual Canadians were ignored by the Supreme Court in the decisions that august body rendered.

Because these are facts, it pleases me that we will have a Charter of Rights and Freedoms in our Constitution that touches both the federal and provincial governments. While that charter might not be perfection, it is the beginning of something very special in the area of rights and freedoms that will be built upon in a truly democratic way as Canada moves forward to find its rightful place in the sun.

November 4, 1981, was a historic day of monumental significance for the maturity of Canada and Canadians. Almost since the last general election there has been an urgency of purpose on the part of the Prime Minister to conceive a new Constitution for Canada. Many will argue, and there is much evidence to support such arguments, that we sacrificed much from an economic viability point of view to reach this moment in our history. Such arguments, however, cannot dilute the special significance of this debate. We have come of age in a special way.

There were times leading up to the agreement of November 4 when I feared for this nation's future. To be very honest, I was a pessimist about a final agreement in Canada. I hated to imagine what might transpire in London were such an accord not achieved. The achievement of agreement between the federal government and nine of the ten provinces of Canada was a victory for the maturity of our nation and its people, and not for any single individual in this nation.

● (1640)

However, it must be recognized that the stubborn persistence of the Prime Minister made it happen. It must also be recognized that the Prime Minister proved himself a most able negotiator in his dealings with the ten provincial Premiers.

It must also be recognized that my leader made a very special, significant and courageous contribution to this achievement. There were many times, especially in the final months of 1980 and again during the committee hearings and the debate that followed in this chamber, before the resolution was referred to the Supreme Court of Canada, when my leader could have taken different, more popular stands. But he persisted, and in many ways was the catalyst that kept it moving until we had this document before us.

The premiers, in representing the different views of our very large nation, made it happen because they were willing to compromise, which is the art of politics, with the Prime Minister. The Minister of Justice (Mr. Chrétien) has been the workhorse for the Prime Minister in seeing that the flesh was put on the skeleton when deals were made. The hon. member for Provencher (Mr. Epp) from our party acquitted himself with distinction in his special efforts to achieve the compromise that finally became the accord.

I came from a town and county in Nova Scotia that has contributed much to the history of the nation. The first member from Cumberland, which was the constituency I first represented in Parliament, was Sir Charles Tupper. Sir Charles Tupper was joined by three others from Cumberland, namely, Dickey, McCully and Chandler as Fathers of Confederation, in conceiving this nation.

I would suggest to the hon. member for Edmonton East (Mr. Yurko) that taking stands on significant matters can sometimes prove to be a very heavy burden. I have some appreciation of how he has felt during this long debate on the Constitution because of his commitment to a Charter of Rights and Freedoms. I might tell the hon. member that Sir Charles Tupper, who was premier of Nova Scotia and made the decision to have Nova Scotia join in the confederation of the provinces of Nova Scotia, New Brunswick, Upper and Lower Canada, found that in Nova Scotia he was one of three MPs elected to Parliament in 1867, with 16 Liberal MPs opposed to confederation elected in the other seats. Sir Charles also found he unleashed the anger of Joseph Howe, a not insignificant force in the politics of our nation at that time.

I believe that John Diefenbaker would have championed this constitutional accord because it is the firm evidence that we believe in ourselves and in our future destiny. We are involved in a unique and historic happening that will not return again to our nation.

For those who feel it is not the perfect document, and it is not, I say, do not be concerned, because when this resolution is passed by Westminster we will have a Constitution in our nation that can be improved upon because, included in that Constitution, is an amending formula that guarantees the Canadian Constitution will not become a sterile document only amendable by the Supreme Court of Canada but will reflect the attitudes and desires of Canadians through their elected representatives, either federal or provincial.

I say to my colleague from the province of Quebec who has just finished his speech that I really feel for the members from the province of Quebec at this particular juncture in our history because, by and large, they support the Prime Minister in his special commitment to produce a new Canadian Constitution and, at the same time, they have a government in their province that opposes the objectives of a new kind of Canada for Canadians. I can well understand why the Premier of the province of Quebec would find arguments with every word and phrase in that constitutional accord that has been agreed upon, arguments why he should not sign it. It is because the whole aspect of that accord is opposed to his philosophy on the place of Quebec in future on the continent of North America. They are in the vanguard in ensuring that the people of the province of Quebec have the opportunity tomorrow, if not today, to become full partners in the confederation of Canada. No matter what Mr. Lévesque thinks of where his province should be heading, I believe there will be a different government in that province tomorrow and there will be the opportunity for the people of that province to join with the rest of Canada in the signing of this accord. That is my attitude, Mr. Speaker.

I think that this Constitution is much larger than any political party. It is a special feeling that every individual must have about his own nation. While it is not the perfect document, in my opinion, it is a very unique Canadian document, unlike any other constitution in the world. We should recognize it as a signal achievement. This debate and this resolution instil a new sense of pride in me when I say I am a Canadian.

As well, it pleases me, as President of the John G. Diefenbaker Memorial Foundation, to know that while this debate is taking place in the House, our foundation will be holding its first annual meeting in this building. While we cannot have John Diefenbaker with us to provide the inspirational message he always managed on historic occasions, we will be able to pay tribute to the special contribution he made to the building of this nation.

In conclusion I would like to say to the members of the present government, as President of the John G. Diefenbaker Memorial Foundation, that I thank them for their consideration and reconsideration in relation to Mr. Diefenbaker's home in Rockliffe Park, which he bequeathed to the nation. In the first instance, the government believed it could not accept the house because of many other commitments it had made to Mr. Diefenbaker in his life but, on reflection and reconsideration it has agreed to accept it as a historic site and a museum for future generations of Canadians, and has agreed to ask the foundation to implement and carry out the operation of that home as a historic site and museum. I can say to you, Mr. Speaker, the foundation accepts that responsibility with a great deal of pride and pleasure. As one who has been here for a long time, I can only say that I deeply regret that John Diefenbaker is not with us today. I am sure he would consider this a very special and unique debate that will be forever an important factor in the lives not only of Canadians today but of Canadians, tomorrow.

Mr. Nielsen: I rise on a point of order, Mr. Speaker.

Mr. Blais: No.

Mr. Nielsen: Did I hear the Minister of Supply and Services saying no?

Mr. Blais: I was commenting on a private conversation.

Mr. Nielsen: I rose on a point of order which I think will be pleasing to the government, especially the government House leader. In order to expedite the debate and the hopeful early conclusion of debate on the resolution, we in this party are now prepared to vote at once on the subamendment.

● (1650)

Mr. Deans: Mr. Speaker, we would be delighted to vote 20 minutes from now, as soon as the hon. member for The Battlefords-Meadow Lake (Mr. Anguish) has completed his speech.

The Acting Speaker (Mr. Blaker): The Chair will take the silence as some indication that the last proposal was agreed to.

Mr. Nielsen: No, it was not, Mr. Speaker. We are prepared to vote at once, if the Chair can obtain the consent of all parties; I am sure you will get it from the government side.

[*Translation*]

Mr. Pinard: Mr. Speaker, we are quite willing to vote anytime. Clearly enough the New Democrats are indicating that they would prefer contributing one more speaker. Therefore, we are not denying consent. In these circumstances, we are agreeable. I do not think they are.

[*English*]

Mr. Nielsen: You gesture, Mr. Speaker; we are still prepared to vote at once.

The Acting Speaker (Mr. Blaker): It is evident to the Chair that there is no agreement, but the hon. member for Yukon (Mr. Nielsen) is encouraging the Chair to put the question to the House. Is there unanimous consent to proceed to the vote immediately?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Doug Anguish (The Battlefords-Meadow Lake): Mr. Speaker, originally I had many concerns about the process of patriating the Canadian Constitution. Certainly the original package has changed over the many months the House of Commons and the people of Canada have been intensely involved in the patriation process. My original concerns were about the unilateralism of the process versus co-operative federalism of the provinces working together to form one country. I had concerns about the package as well, in terms of provincial ownership of resources, the amending formula, the referendum and the Senate veto. Also I was concerned about native rights from the beginning.

We have reached this point in the debate, and I am limited to 20 minutes. I should like to dwell on the subject of the subamendment and the amendment concerning native rights which are now included in the package once again. Also I have another concern with regard to the province of Quebec. I should like very much for the Québécois to be part of the agreement. I hope the Liberal members of that province truly represent the people in what they are doing. I hope there will in fact be an accord across Canada and that we will remain one country. It saddens me deeply to think that Quebec is not part of the accord.

When I speak of Indian and Metis people, let me make it clear that I refer to treaty Indians, non-status Indians, the Inuit and the Metis. Unless I state otherwise, when I speak of Indian and Metis people this is what I actually mean. I was shocked when the accord came back on November 5 and the recognition of the aboriginal rights of native people in the country had been removed. I am pleased to a large extent that we will now place it back in the charter.

One particular area of concern to me is the word "existing" which is being included in the resolution as it now stands. If the word "existing" does not mean anything, if it is there just to make more explicit the meaning of the section in the resolution, if it does not change anything, it is important as a matter of principle to have it removed, especially because of the distrust Indian and Metis people have for governments which have dealt with them over a number of years, going back to the first treaties that were signed and the many promises that were broken.

In the part of Saskatchewan which I represent, there are 17 Indian reserves, and approximately 50 per cent of the population of the northern part of my riding consists of Metis people. From living in the area and having worked closely with Indian and Metis people, I know they have very special rights which have been recognized. I am referring to their historical rights, to scripts, to the affirmative action programs in various parts of Canada, to statutes, treaties and to the royal proclamation of 1763. It is not a matter of them not having rights. The real problem is that over the years an economic base has never been formed. There has never been a political will—and I say this in a non-partisan manner—to bring those rights to the forefront and to develop the needed economic bases so that the people of whom we are speaking today can live with some pride and dignity.

Over the years great institutions were developed which were supposed to take care of Indian and Metis people. Those great institutions have failed. In fact, they placed Indian people into a position of reliance upon our system. We have dominated them. We have passed out money to appease their feelings and at times to keep them quiet. This has caused a great reaction in the white community. Many people in the white community are upset by the amounts of money and by the rights given to Indian and Metis people, but they do not understand that all that giving was not helping. It has only oppressed Indian and Metis people in Canada, and made them regress.

I have mentioned that the word "existing" should be removed. I feel very strongly about this. It is a principle of law, of statutory interpretation, that every word in a statute—and in this case it is the Constitution—has meaning and must be considered by the courts when something comes before them. If this word remains, I am sure the judges will have to say that the word is there because the legislators or the parliamentarians, the people who put it into the Constitution, the governing law of the land, wanted it there. It may mean a variety of things. For example, the Metis people are not recognized by the federal Department of Justice as having any rights. If the courts look at the interpretation of the Department of Justice without looking at the historic rights, the land scripts and other rights of Metis people, the Metis could very well have no rights left under the Constitution as it stands now with the inclusion of the word "existing". In order to clarify it or to make it explicit in terms of the way I am speaking today, the word should be deleted.

I think there are things which should have happened before we became involved in the constitutional process. As has been mentioned by other hon. members, the talks with Indian and Metis people should have taken place before the constitutional resolution was drafted. The provincial and federal governments tried to impose some type of rights without adequate consultation and the consent of the aboriginal people, the first peoples of the land.

Now I should like to refer to a point which was just brought to my attention. Today the Newfoundland legislature brought in a resolution to keep the word "existing" in that section of the constitutional resolution. I was informed a few moments ago that Premier Brian Peckford introduced the resolution in the Newfoundland assembly and it was defeated.

Some hon. Members: Hear, hear!

Mr. Anguish: There might be accord from the premiers but there is certainly not accord from all governments. The Liberals and some Conservatives in Newfoundland defeated the resolution today. This should bear heavily upon the minds of the parliamentarians who will be voting on this resolution in less than an hour.

I should like to deal with the items that I feel should have been included in Section 36 but were put in the background. We should lay down some principles which govern the discussions, meetings or consent-findings meetings, with Indian and Metis people within the period of a year after the Constitution comes back home. Those governing principles should define who the treaty Indian people are, who the Inuit are, who the Metis are, who the non-status Indians of this country are. They should determine what the rights of these groups are so that we can come to some kind of fair settlement and live with these groups in harmony. As a social democrat and as a New Democrat I believe they should have some right of self-determination. I also believe that is the way most Canadians would want the issue resolved.

● (1700)

It must be made clear that the Metis people are in fact Indian people. That should be stressed in the governing Section 91(24) of the British North America Act. We should recognize the Metis people and the non-status Indians as Indians in the language of the statutes that we put through the House.

Also, the following principles should prevail at the meetings provided for in Section 36. These principles were authorized and approved by the Joint Council of the National Indian Brotherhood. They read:

1. The aboriginal title, aboriginal rights and treaty rights of the aboriginal peoples of Canada, including:

(a) all rights recognized by the Royal Proclamation of October 7th, 1763;

(b) all rights recognized in treaties between the Crown and nations or tribes of Indians in Canada ensuring the Spiritual concept of Treaties;

(c) all rights acquired by aboriginal peoples in settlements or agreements with the Crown on aboriginal rights and title;

are hereby recognized, confirmed, ratified and sanctioned.

2. "Aboriginal people" means the First Nations or Tribes of Indians in Canada and each Nation having the right to define its own Citizenship.

3. Those parts of the Royal Proclamation of October 7th, 1763, providing for the rights of the Nations or tribes of Indians are legally and politically binding on the Canadian and British Parliaments.

4. No Law of Canada or of the Provinces, including the Charter of Rights and Freedoms in the Constitution of Canada, shall hereafter be construed or applied so as to abrogate, abridge or diminish the rights specified in Sections 1 and 3 of this Part.

5. (a) The Parliament and Government of Canada shall be committed to the negotiation of the full realization and implementation of the rights specified in Sections 1 and 3 of this Part.

(b) Such negotiations shall be internationally supervised, if the aboriginal peoples parties to those negotiations so request.

(c) Such negotiations, and any agreements concluded thereby, shall be with the full participation and the full consent of aboriginal peoples affected.

6. Any amendments to the Constitution of Canada in relation to any constitutional matters which affect the aboriginal peoples, including the identification or definition of the rights of any of those peoples, shall be made only with the consent of the governing Council, Grand Council, or Assembly of the aboriginal peoples affected by such amendment, identification or definition.

7. A Treaty and Aboriginal Rights Protection Office shall be established.

I think it is imperative that the Government of Canada and we as parliamentarians take action on this, Mr. Speaker. The Indian and Metis people in this country have had rights for many years but one would hardly realize this to see them on the reserve or in the urban native settings where alcoholism runs high and unemployment is such a disaster that it is not included in the Statistics Canada unemployment reports. Today, Indian babies are being born with a fetal alcohol syndrome as high as 50 per cent. This must have a disastrous effect on the education of these children and the way they will proceed through life. An aboriginal rights protection office should be established so that there is political will and an economic base is established to fulfil those rights and aspirations of the Indian and native people. They must be fulfilled with some authority and by a specific group responsible for those obligations.

The document goes on as follows:

8. A declaration that Indian Governmental powers and responsibilities exist as a permanent, integral fact in the Canadian policy.

That should happen within the year following patriation. The document continues:

9. All pre-confederation, post-confederation treaties and treaties executed outside the present boundaries of Canada but which apply to the Indian Nations of Canada are international treaty agreements between sovereign nations. Any changes to the treaties requires the consent of the two parties to the treaties, who are the Indian Governments representing Indian Nations and the Crown represented by the British Government, the Canadian Government is only a third party and cannot initiate any changes.

That refers to agreements that have already been made. Those things should be clear in our minds as Canadian politicians when the resolution returns to this country. Those things should be included for the protection of the Indian and Metis people in order to overcome some of the atrocities committed over the years and to put respect and self-determination back into the hands of the Indian and Metis people.

So far we have failed to do this, Mr. Speaker, but a good place to start would be to remove the word "existing" from the resolution by voting for the subamendment. If that word means nothing, then we should remove it as an indication of our trust. If the word "existing" means something, then that should be established too. I have tried to point out that the interpretations of the courts may differ. The Indian, and especially the Metis people, may have to go to court to establish that they have rights before they can enter the negotiating process in which they determine what they want in the year following patriation. I think the word should be removed in order to clarify the situation.

We have reached the point where we must restore the trust that has been eroded over the years between ourselves and the Indian and Metis people. Earlier today, a Conservative member spoke of smoking the peace-pipe together, talking about concerns, and then signing a document. But that trust has been lost over the years. At the present time there is very little trust between the Indian and Metis people and the predominantly white government in Canada.

That must be changed, Mr. Speaker. Let us change it now by deleting the word "existing" from the resolution. Let us approach the negotiations following the patriation of the Constitution with a political will to return to the hands of the native and aboriginal peoples the right of self-determination, the right to guide their own destiny and to have the Indians and Metis work with the rest of Canada as they work in harmony together.

Some hon. Members: Hear, hear!

Mrs. Ursula Appoloni (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, it is 114 years since the Fathers of Confederation laid aside seemingly irreconcilable differences in the larger interests of the union of this country. The country itself was born, despite differences, and it grew in defiance of geography. Throughout the years, the plea for unity has become almost stale with frequent usage. The coin may be common, but it certainly is not debased.

When other countries laboured in blood and fratricidal strife for their very survival, Canadians struggled in controversy and frequently acrimonious debate.

● (1710)

However, if there was one outstanding quality which kept us together, surely it was the quality of faith, the faith of successive leaders that Canadians could prove to the world that a nation such as this, born in strife, diverse in its origins, speaking two languages and representing the embodiment of several great cultures, can survive and prosper. That faith has been tested on many occasions. There were those who questioned our will to survive as a nation. There were others who, recognizing the bone and the muscle of nationhood, queried whether or not we possessed the spirit of nationhood. The spirit of nationhood had to be embodied in a sense of patriotism which would put Canada ahead of its parts; and, for a fleeting period, that emotion was palpably evident in the year that marked Canada's centennial.

Finally, we had a distinctive, truly Canadian flag which became the symbol which helped erase the image and the idea of any kind of hyphenated Canadian. However, even the adoption of a distinctive flag was not sufficient to instil in all Canadians a sense of common purpose, a deep sense of pride in their country, and an abiding faith in its destiny. To a certain extent, Canada was a nation in search of an identity. After all, what did it really mean and what does it really mean to be a Canadian? Now, for the first time in 114 years, we are finally in a position to at least partially answer that question, an answer which probably would not have been supplied through the process of simple patriation.

Finally, we are able to establish in our own minds and in the minds of the rest of the world, the kind of people we really are, the vision of a country we intend Canada to be, and our deep commitment and loyalty to that country and to the principles by which we govern ourselves.

I have noticed, among some members of the public, and even of the media, a certain impatience that Parliament should devote so much time to constitutional matters when economic matters are so very pressing. My feeling is that unless we proclaim our determination to survive as a country, to live together, to work together and to build together a worth-while nation, we will be constantly assailed by economic forces to which the very lack of cohesion would leave us particularly vulnerable.

Finally, and in an awesome endeavour demanding a sense of responsibility which the importance of the question deserves, we are about to achieve that cohesion. However, even as I sense the euphoria of the moment, I am conscious—as, indeed, are all hon. members of the House—of the absence of one voice from the proclamation of common purpose. What is that purpose? It is to build a truly Canadian nation in which all its people will be known by their tolerance, fairness and determination to uphold the dignity and to acknowledge the intrinsic value of every man and every woman. It is on these very attributes of tolerance and fairness that I wish to dwell as I believe they are the hallmark of the constitutional proposal now before us.

Perhaps I am in a unique position to be objective in analysing the Canadian identity for the simple reason that I am probably the newest Canadian in the entire House, inasmuch as citizenship was conferred on me only 11 years ago. Therefore, I am Canadian not by birth but very definitely by conviction. Unlike some people, I had a choice of countries to which I could have emigrated, and each of them probably could have offered me an equal amount of economic opportunity.

Why, then, did I specifically choose Canada? Fundamentally, it was because of my faith in Canada as an open, free, tolerant country which refused to remain prisoner of its own past but which was capable of reconciling the past with the present in one vibrant, throbbing hope for the future. I choose it too because of its immense size and the sense of grandeur, adventure and rich variety which that size denoted. In geography alone it offered me more wealth than any treasure trove of which I had ever read or dreamed. I believed that Canada would welcome me and my family, not despite our cultural background but, perhaps, even because of it. I believed that diversity was considered to be a challenge and even an asset rather than a pitiable or even contemptible liability. I believed that the only restrictions imposed on myself and on all members of my family were those of good common sense, our own ability and our own willingness to work.

My private faith in Canada and in the Canadian way of life has been fully justified. The daughter of a women who had to join the suffragette movement in order to obtain the right to vote is now, herself, a member of Parliament. The sister of a fully qualified veterinarian, denied a prominent government position because of his faith, can now proudly, and without fear of reprisal, claim from government benches, "I am a Catholic".

My personal odyssey through four countries has no doubt given me a perspective of freedom unseen by many who so blithely take freedom for granted. However, the same odyssey gave me an insight into other sections of the document now under debate when fate conspired to deprive me of some of my abilities. For years, I joined the ranks of handicapped people. This charter is eloquent testimony to the fact that a broken body does not denote a broken spirit. Human worth and dignity cannot and must not be governed by the outward condition or appearance.

Therefore, drawn to the freedom, tolerance and boundless opportunity which, for me, spelled Canada, I applied for and was granted Canadian citizenship. I so well remember the day on which I became a Canadian citizen because, for me, it was an occasion which prompted a very deep sense of marvel and gratitude and, at the same time, a particularly strong sense of responsibility toward the country which had so fully accepted me. However, even as I rejoiced that my own personal faith in Canada had been amply justified, I soon realized that many of the freedoms which I had enjoyed had been denied to others, because the freedom I had experienced came not from a

constitutional guarantee but merely from tradition. We all know that tradition cannot too often be broken.

Whereas my freedom had come with a sense of good fortune, I was determined, because it was my responsibility, to guarantee the freedoms of people who would come after me. Therefore, it was not a kind of Russian roulette where one wonders who will be free and who will not. On this momentous occasion, we are on the brink of guaranteeing those freedoms, not just to me but to all who come after us, and I am very, very proud of that.

Again, as a new Canadian, I spoke of the vastness of this country which had attracted me, the wealth and the diversity of it. As a new Canadian at the time of the referendum in Quebec, I was shattered. First of all, I marvelled. I thought, "How can people, born with this immense wealth, want to get rid of it and make the country smaller? How could people want to live only in a province and not in a great big country?" I could not understand, for many, many months—perhaps I do not understand even to this day—those people who would want to make Canada smaller. I remember also that at that time, particularly in the House, we feared for the future of our country. We feared for Canada. I in recent days realized the analogy of what has happened. In Quebec the quiet women got together in what we now call the Yvette movement. Quietly and systematically they won over the male leaders of Quebec and made them accept the Canadian situation. That was a tremendous triumph for the women of Quebec. It was a tremendous triumph for all of Canada. I refer to that because what happened in the last few days has been woman power. We have achieved equality of the sexes in this Constitution. It is not really thanks to a few individual, isolated men who happen to be premiers of provinces, it is mainly due to the work of women who felt, just as I do, about the integrity and the intrinsic value of the human person.

• (1720)

If I can, I would like to direct my plea to the women in Quebec in particular to repeat what they did. The Yvette movement gave us and the rest of Canada the idea in the first place of sticking together to ensure that we can have a united country. I ask the women in Quebec now to please help us once again. I ask them to get all their power together to ensure that their leaders give to them the same equality that our leaders have done in the rest of Canada. I am sure they can do that.

I urge the immigrants of Quebec—and here again I can only speak to them in English—to use their power. They came to Canada with the same aspirations that I have. We are guaranteeing the rights that people like me enjoy. I want the immigrants in Quebec to realize that. I want them to go to Mr. Lévesque to ask him what he is doing. I want them to ask him if he is not robbing them of their rights.

Now I want to speak directly to the women of Quebec. If they will forgive me, I shall try my fractured French to address them in their language.

[*Translation*]

I too am a woman. I too am a mother whose aspirations are the same as yours for our children. I too am a Canadian. So, I invite you to join me in making sure that the whole Canadian family has a future filled with hope, tolerance and unlimited potential.

[*English*]

Mr. Epp: Mr. Speaker, I rise on a point of order. It arises out of comments made by the hon. member for The Battlefords-Meadow Lake (Mr. Anguish). I know members of the House would want accuracy to prevail. While I do not have the verbatim account of what the hon. member said, I believe that he made the point that the house of assembly in Newfoundland today voted or decided that if the word "existing" in Section 34 were not deleted, the assembly could not support Section 34. I want to tell the House and the hon. member—

Mr. Fulton: That is not what he said.

Mr. Epp: I think what is important is that I do mention what happened, Mr. Speaker. There was an attempt to have the motion introduced, and the opposition did not give consent. It was on that basis that the motion did not go forward.

The Acting Speaker (Mr. Blaker): The Chair will recognize the hon. member for The Battlefords-Meadow Lake (Mr. Anguish) whom I expect to finish the issue.

Mr. Anguish: Mr. Speaker, I want the context of my speech to be accurate. At this time I will not withdraw what I said in my address this afternoon. However, if events over the next days prove that what I said was inaccurate, I will certainly stand up in the House at the appropriate time and withdraw any inaccurate statement I might have made. I do appreciate what the hon. member is trying to do.

Mr. Fred King (Okanagan-Similkameen): Mr. Speaker, I feel especially privileged to take part in this constitutional debate in this House of Commons, the highest court of the Canadian realm. Without a doubt, of all the multitude of issues which have occupied the time, attention, talents and emotions of members over the past century, this issue has by far the greatest implications. The debate, which has been the preoccupation of the House despite obvious more pressing economic concerns, will define the future direction and complexion of this Canada of ours for all time to come. This is the ominous and vital context in which the whole Constitution matter must be judged.

As individuals, our characters are formed from the amalgam of all the inputs and actions which have gone into our development to this point. We are the product of parental guidance, of education, of spiritual conviction, of environment, of the influence of friends and of our community.

Similarly, Canada's character as a nation has been formed by our experience and traditions in living together as a federation. The substance of the original constitutional proposal was an attempt to repudiate the essential elements of the character

of Canada, the elements of experience in partnership and equality which are so essential in a federal state.

The Right Hon. Leader of the Opposition (Mr. Clark) took the highroad approach to this debate when he addressed the House last Friday. His comments and observations were compelling, made the more so by his stated intention to refrain from politically inspired rhetoric. That speech had a quality and depth befiting a national leader as he lay before the House and the nation the issues and the position of this party on some of the unresolved irritants to domestic peace and unity.

It is possible that I will wander from the highroad example of my leader. You see, I am an angry and not so young man. I am angry about what this and previous Liberal administrations have done to our nation, about what they have done and what they are still attempting to do. I am not alone in my resentment. I would think that never in the life of this nation has there been such widespread and justified unrest.

We have seen the anger of the native peoples of Canada and the anger of the women of Canada. It is hoped that the constitutional amendments announced by the Minister of Justice (Mr. Chrétien) will have soothed those angers and will provide the framework under which fair and equitable resolutions can be achieved.

This would be our wish, particularly for the aboriginal peoples of Canada. I, like all Members of Parliament, have received letters and personal representations from native people expressing their resentment or, as the tribal director of the Shuswap nation tribal council put it appropriately: "I wish to convey my disheartened feelings." One letter especially gripped me. It was from the Nicola Valley Indian Fellowship, a group trying to improve the educational status of children within their care.

Barney Shackelly, the pastor, wrote in part as follows:

> All we ask is that you and your party deal justly with this so-called new Constitution and be merciful unto the native peoples of our land, so-called Canada. Sincerely in Christ, Barney Shackelly, Pastor.

● (1730)

I trust that this constitutional recognition of aboriginal rights will mark the point from which native people can begin to feel they are being justly treated, but that it will also mark the point at which native people will feel full partners in society, receiving due recognition and—I think this is important—accepting a full position in the creative responsibility toward development of the total Canadian society, being prepared to live within the rules of society which attempts to produce the fairness and justice for all which native people have found lacking to date.

It is a situation which Parliament and the provincial legislatures are now attempting to redress. It would be tragic indeed if friction such as now exists in mobile home parks on the West Bank Indian Reserve were allowed to create blockage to the growing spirit of goodwill and supportive favour between aboriginal and other Canadians. Hopefully this will receive impetus from the supportive words and actions of all members of the House.

The Right Hon. Leader of the Opposition in his speech to the House last Friday put our party's position on aboriginal rights in the proper perspective when he said:

> . . . the original people were here before our civilization. Our treatment, our meagre, mean treatment of them, has increased our obligation, not diminished it.
>
> We cannot reverse history, but we can take account of it. A minimum step must be for this Parliament to put in a document that deals with the rights of our people and to acknowledge at least the particular rights of our first people to draw their life and their culture from what we made our land.

Now we still have with us the anger of the territorial government focusing on constitutional provisions which are seen as leaving them vulnerable to the ambitions of other jurisdictions and which fail to address their aspirations to develop into full partnership arrangements. This also must be addressed by the Governments of Canada under the authority now vested in the Constitution of our nation to produce changes and improvements in Canada through the process of negotiation, compromise and reconciliation, recognizing always the unique political situation occupied by the vast area of northern Canada.

We see the anger of labour as expressed in their march on Parliament Hill last Saturday. We have seen the anger of Canadians who are losing homes and businesses because of high interest rates. We have seen the anger of western Canadians take form in WestFed and other separatist-motivated organizations. This is an angry, resentful nation, and the very people who formed the Government of Canada, who are the root cause of the economic mischief that befalls Canada, had the effrontery in October, 1980, and through the months of constitutional debate to say to the nation, "Look, Canada, we alone have the knowledge of what is good for you. We alone possess constitutional wisdom. Premiers are unwise. Liberal Members of Parliament are omnipotent. In Canada's interests we are going it alone." This was the message that Liberal folly delivered to the nation in October, 1980. What pomposity from a government which has brought economic disaster to so many!

The anger of which I spoke was reflected in conversations with my constituents last weekend in Okanagan-Similkameen. Everywhere I went, the same was true. Businessmen, home owners, investors were hurt, frustrated and incredulous that disasters like this could happen to them in Canada.

How can the government face the people with an attitude of constitutional superiority when its direction for Canada over the past decade reveals a record of economic failure? The road to socializing Canada with ever-increasing government interference in the economic life of the nation and in the individual lives of Canadians was to have its great quantum forward leap through the Prime Minister's own personally conceived constitution. Thank God this was at least partially forestalled.

On January 20, 1981, at the meeting of the constitutional committee, the hon. member for Provencher (Mr. Epp), in presenting our party's proposed amendment to a bad government initiative, said the following:

> Mr. Chairman, in presenting our proposed amendments to the government's resolution, we do so in the knowledge that it is the popular will of Canadians that our Constitution rest in this country. It is also the popular will that we have a

Charter of Rights and Freedoms for the Canadian people embedded in the Constitution.

The Progressive Conservative Party's position in these matters reflects the popular will. The desire to enhance our freedoms is based on the strong traditions of our party. It was this party, through the vision and leadership of the Right Hon. John Diefenbaker, which gave Canadians their first Bill of Rights. The Bill of Rights gave expression to the full citizenship Canadians desired. No longer were they hyphenated Canadians. The sovereignty of God over the nation was expressed. The family was recognized as the cornerstone of our society. The right to own personal property, so often denied in other countries, was guaranteed. Those principles are valid today; all amendments to the charter rest on that foundation.

The hon. member went on to say:

... we have listened to Canadians, and believe we have also listened to colleagues on both sides of this table. I believe the acceptance of our suggestions will save us from constitutional chaos and deepening national division.

It is unfortunate that it took a Supreme Court decision plus the outcry of the people, plus the concentrated effort of the official opposition in the House and in the Senate to cause the Prime Minister (Mr. Trudeau) and the Liberal members opposite to abandon their unilateralist role in the matter of the Canadian Constitution.

Western Canadians in particular were incensed by an amending formula which would have entrenched second and third-class status upon the provinces in which they hold citizenship, a citizenship which they hold dear, just as they hold dear their allegiance to Canada.

In the February, 1981, issue of *The Presbyterian Record*, Lloyd Robertson, who is anchorman on the CTV eleven o'clock newscast, wrote an article entitled "Viewing the West". In part, this is what he wrote:

At this time in the west, one reality overwhelms all others. In spite of the strident voices of the protest leaders, the vast majority of westerners are Canadians first. They are not greedy or unpatriotic. They will tell you repeatedly that all they want is a fair deal. It will take a long time and much more disenchantment to bring the majority close to the breaking point of separation. Nevertheless the seeds of discontent are there. They can be blown away by understanding, friendship and good old Canadian compromise.

So wrote Lloyd Robertson in February, 1981.

The truth of Mr. Robertson's conviction that the majority of westerners are Canadians first is evidenced by the accord reached in which premiers from the west, the centre and the Atlantic put the interests of Canada before narrow provincial ambitions. We applaud that spirit of compromise and accommodation which resulted in the resolution which is the subject of our debate in the House today.

I am proud that the Premier of British Columbia played such a distinguished role in producing the climate in which compromise was possible.

● (1740)

On February 9, 1981, as a member of the constitutional committee meeting in room 200 of the West Block, I had the opportunity to speak on behalf of the constituents I represent and the party to which I am proud to belong. At that time I said in part:

The Constitution of Canada should by its very nature be a unifying, inspiring document which should raise in all Canadians the passion of patriotic fervour; and I am appalled that this most significant action in the history of Canada's Parliament should be the instrument by which discord and discontent is focused and intensified across Canada.

I went on to say:

It is with acute sadness and a degree of despair, I might say, that I must tell you that what has been done, and more especially the way it has been done, is totally unacceptable.

The announcement that the first ministers of Canada had reached an accord was a milestone in Canadian history which brought forth a great sigh of relief from Canadians from coast to coast. The more recent refinements and additions to that accord can only increase the level of satisfaction. I have shared in that immediate reaction, not because what was created by the Prime Minister and the premiers was perfect; quite the contrary, there are many Canadians, myself included, who have very grave reservations about this resolution. Those reservations extend far beyond the process employed by the government in its headlong reach for constitutional change, with all the many implications for change to the very character of Canada itself. These reservations extend indeed to the content itself.

I can do no better than to refer each hon. member here to the speech in the House yesterday by the hon. member for Saskatoon West (Mr. Hnatyshyn), whose factual and comprehensive review of the resolution should be compulsory reading for all hon. members, most specifically those hon. members opposite whose euphoric description of the Charter of Rights and Freedoms and what it offers to Canadians is based on a distortion of the present reality in Canada with regard to individual rights and freedoms. No country has a better record of respect for the individual than has our Canada. My analysis is that the charter mainly marks a new day for rights in Canada to the extent that the charter's provisions put into the hands of the courts, rather than the elected legislatures, the future direction of social policies in Canada. The hon. member for Saskatoon West said last night:

We will soon realize that the composition of the courts and the political and social beliefs of our judges will be an extremely important factor in the determination of the rights and prerogatives of citizens and institutions in the country. Indeed, the power of appointment of judges from time to time will be of immense importance in the ultimate determination and interpretation of fundamental rights in Canada.

I concur in that fully.

With the end of the constitutional confusion now in sight, where do we as a nation go from here? We have to be optimistic. We have very much going for us. We have to be optimistic because we will have a Canadian Constitution resident in Canada with an amending formula which recognizes the reality of Canada and respects the role of the provinces in the composition of our nation. We have to be optimistic because we have an amending formula which will preclude the type of arbitrary change which so recently threatened national unity and composure.

I know that time is moving fast and that I have only a few minutes left. Let me just say in closing that an hour ago we offered to vote on the subamendment, and I suggest that we move to that vote immediately.

The Constitution

Mr. Nielsen: Mr. Speaker, I rise on a point of order. Once again I make the same offer to call the vote on the subamendment now.

Mr. Deans: Mr. Speaker, I was prepared to have the vote called 40 minutes ago.

Some hon. Members: Oh, oh!

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

Some hon. Members: Question.

The Acting Speaker (Mr. Blaker): The question is on the amendment to the amendment moved by the hon. member for Skeena (Mr. Fulton). Is it the pleasure of the House to adopt the subamendment?

Some hon. Members: Agreed.

Some hon. Members: No.

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

Some hon. Members: Yea!

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

Some hon. Members: Nay!

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

And more than five members having risen:

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

The House divided on the subamendment (Mr. Fulton) which was negatived on the following division:

● (1750)

(*Division No. 126*)

YEAS

Messrs.

Allmand	Gamble	Murphy
Althouse	Heap	Nystrom
Anguish	Hovdebo	Oberle
Benjamin	Ittinuar	Orlikow
Blackburn	Jewett (Miss)	Parker
Blaikie	Keeper	Robinson (Burnaby)
Broadbent	Manly	Rose
Cossitt	McRae	Sargeant
Deans	Miller	Skelly
de Jong	Mitchell (Mrs.)	Waddell
Fulton		Young—32.

NAYS

Messrs.

Andre	Bachand	Baker (Nepean-Carleton)
Appolloni (Mrs.)	Baker (Gander-Twillingate)	Beatty
Axworthy		
Beauchamp-Niquet (Mrs.)	Ferguson	Maltais
Bégin (Miss)	Fisher	Marceau
Berger	Flis	Massé
Blais	Forrestall	Masters
Blaker	Foster	Mayer
Blenkarn	Fox	McCain
Bockstael	Francis	McCauley
Bosley	Friesen	McCuish
Bujold	Frith	McDermid
Burghardt	Garant	McGrath
Bussières	Gauthier	McKinnon
Caccia	Gimaïel	McLean
Campbell (Miss) (South West Nova)	Gingras	McMillan
	Gourde (Lévis)	Munro (Esquimalt-Saanich)
Campbell (Cardigan)	Guilbault	Munro (Hamilton East)
Cardiff	Gurbin	Nielsen
Carney (Miss)	Gustafson	Olivier
Chrétien	Halliday	Ouellet
Clark (Yellowhead)	Hamilton (Qu'Appelle-Moose Mountain)	Paproski
		Parent
Clarke (Vancouver Quadra)	Hargrave	Patterson
	Harquail	Pelletier
Coates	Hawkes	Penner
Collenette	Henderson	Pepin
Comtois	Herbert	Peterson
Cooper	Hervieux-Payette (Mrs.)	Pinard
Corbin	Howie	Portelance
Corriveau	Hudecki	Prud'homme
Côté (Mrs.)	Irwin	Reid (St. Catharines)
Cousineau	Jarvis	Reid (Kenora-Rainy River)
Crombie	Jelinek	Roberts
Crosby (Halifax West)	Johnston	Robinson (Etobicoke-Lakeshore)
Crouse	Joyal	Roche
Cyr	Kaplan	Rompkey
Dantzer	Kelly	Rossi
Daudlin	Killens (Mrs.)	Roy
Dawson	King	Savard
De Bané	Kushner	Schellenberger
de Corneille	Lachance	Schroder
Demers	Lajoie	Scott (Hamilton-Wentworth)
Deniger	Lambert	
Desmarais	Lamontagne	
Dingwall	Landers	Scott (Victoria-Haliburton)
Dion	Lang	
Dionne (Chicoutimi)	Lapierre	Siddon
	Lapointe (Charlevoix)	Simmons
Dionne (Northumberland-Miramichi)	Lapointe (Beauce)	Smith
	La Salle	Stevens
Domm	LeBlanc	Tardif
Dubois	Lewis	Taylor
Duclos	Lonsdale	Tessier
Dupont	Lumley	Thacker
Dupras	MacBain	Tobin
Ellis	MacEachen	Tousignant
Elzinga	MacGuigan	Turner
Epp	Mackasey	Veillette
Erola (Mrs.)	MacLaren	Watson
Ethier	MacLellan	Weatherhead
Evans	Malépart	Whelan
Fennell	Malone	Wright
		Yanakis—179.

Madam Speaker: The amendment to the amendment is defeated. Motion (Mr. Fulton) negatived.

[*Translation*]

Mr. Chrétien: Madam Speaker, I believe there is agreement among the parties. In the French version of the amendment the Minister of Indian Affairs and Northern Development (Mr. Munro) moved yesterday, the word "reconnus" was omitted in Section 35(1). Only the word "confirmés" appeared. By unanimous consent of the House, we should like the word "reconnus" to be added to the French text, at line 3 of Section 35(1).

Mr. Nielsen: Madam Speaker, we agree.

Mr. Deans: We also agree, Madam Speaker.

Madam Speaker: If everyone agrees, it is so ordered.

The Constitution

It being six o'clock, I do now leave the chair until tomorrow at 2 p.m., pursuant to Standing Order 2(1).

At 6.26 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Thursday, November 26, 1981

The House met at 2 p.m.

• (1405)

ROUTINE PROCEEDINGS

[*English*]

FISHERIES

TARIFFS IMPOSED BY EUROPEAN ECONOMIC COMMUNITY—MOTION UNDER S.O. 43

Mr. Lloyd R. Crouse (South Shore): Madam Speaker, I rise under the provisions of Standing Order 43. In view of the serious economic conditions faced today by all segments of Atlantic Canada's fishing industry, namely, our inshore and offshore fishermen and processors, brought about by high inventories, high interest rates, lower sales prices for fish products and higher wage and fuel costs, I move, seconded by the hon. member for Dartmouth-Halifax-East (Mr. Forrestall):

That this government take steps to negotiate the lowering of tariffs placed on Canadian fish exports by the European Economic Community so that Canadians are competitive with the preferential rates given by the European Economic Community to Norway and Iceland.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

AUTOMOTIVE INDUSTRY

NEED FOR INDUSTRIAL STRATEGY—MOTION UNDER S.O. 43

Mr. Joe Reid (St. Catharines): Madam Speaker, more than 5,000 General Motors workers will be laid off this Monday, and more are expected to follow before Christmas. In January and February, traditionally the slowest months in the automobile industry, we are told to expect further slowdowns accompanied by even further lay-offs. Industrial unemployment now stands at a staggering 280,000, and considering that a crisis situation will soon be upon us, I move, seconded by the hon. member for Halton (Mr. Jelinek):

That this House instructs the government to take immediate action to avert the coming crisis in the automobile industry and that it now recognize the urgent necessity of an industrial strategy for Canada and a short-term policy to assist the automobile industry.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

[*Translation*]

THE CONSTITUTION

SUGGESTION THAT ONTARIO PREMIER RECOGNIZE LINGUISTIC DUALITY OF CANADA—MOTION UNDER S.O. 43

Mr. Jean-Robert Gauthier (Ottawa-Vanier): Madam Speaker, I rise on a matter of urgent and pressing necessity under the provisions of Standing Order 43.

Whereas a nation, in drafting its constitution, should do so with respect and in a spirit of generosity towards its minorities; and whereas it is vital to recognize more fully and to protect Canada's duality, I move, seconded by the member for Missisquoi (Mr. Bachand):

That this House invite forthwith the Premier of Ontario, William Davis, to introduce in the Ontario Legislature now in session, a resolution to the effect that Ontario recognizes the linguistic duality of Canada and requests that it be bound by sections 14(2), 18(2), 19(2) and 20(2), which would make it possible for all French-speaking Canadians—wherever they may reside in Canada—when coming to Ontario, to have access to that province's parliamentary and judicial institutions and government services in the same manner as all English-speaking Canadians have had access to the same institutions in Quebec for over 114 years.

Madam Speaker: The House has heard the motion presented by the hon. member. Under the provisions of Standing Order 43, this motion requires the unanimous consent of the House. Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

[*English*]

APPLICATION OF OVERRIDE PROVISION—MOTION UNDER S.O. 43

Mr. Svend J. Robinson (Burnaby): Madam Speaker, I rise on a matter of urgent and pressing necessity pursuant to the provisions of Standing Order 43. In view of the fact that Section 33 of the proposed Constitution resolution would

permit provincial and federal governments to override and deny fundamental rights to Canadians, including freedom of conscience and religion, freedom of the press, freedom of association, and the right to protect from discrimination against the physically and mentally disabled, ethnic and racial minorities, the elderly, and possibly women, and in view of the fact that the federal-provincial accord refused to protect these groups from possible discrimination, I move, seconded by the hon. member for Beaches (Mr. Young):

That this House urge the Minister of Justice to propose amendments to the constitutional resolution, eliminating the possibility of Section 33, the override provision, applying at the very least within federal jurisdiction.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

THE BUDGET

CALL FOR WITHDRAWAL—MOTION UNDER S.O. 43

Mr. Vince Dantzer (Okanagan North): Madam Speaker, it is now apparent why the government's budget has turned into such an unmitigated disaster. Senior officials of the finance department have advised the Canadian Tax Foundation that budget preparation was "characterized by a totally inadequate group" in the Department of Finance, and that budget changes were designed to increase budget revenues. This House was told that equity was the main thrust of this budget. I therefore move, seconded by the hon. member for Vancouver South (Mr. Fraser):

That this House direct the Minister of Finance to withdraw the budget and to take another run at it.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

VETERANS AFFAIRS

PROVISION OF GENERAL INQUIRIES TELEPHONE NUMBER—MOTION UNDER S.O. 43

Mr. W. C. Scott (Victoria-Haliburton): Madam Speaker, I rise under the provisions of Standing Order 43. Given the fact that Canadian veterans presently face such critical problems as excessive pension delays, the Hong Kong parasites disease and abnormally low pension levels, as well as the fact that many phone books in Canada fail to list a Veterans Affairs general inquiry phone number, I move, seconded by the hon. member for Simcoe North (Mr. Lewis):

That in light of the present crisis confronting the Department of Veterans Affairs, this House instruct the Minister of Veterans Affairs to ensure immediately that all future phone books across the country will list in the government blue pages a general inquiries number so that Canadian veterans can approach the government with their problems.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

● (1410)

[*Translation*]

THE CONSTITUTION

REQUEST THAT LINGUISTIC RIGHTS OF FRANCO-ONTARIANS BE ENTRENCHED IN CHARTER OF RIGHTS—MOTION UNDER S.O. 43

Mr. Bob Rae (Broadview-Greenwood): Madam Speaker, I rise on a matter of urgent and pressing necessity under the provisions of Standing Order 43.

Hundreds of thousands of Ontarians have French as their mother tongue, and it is only fair to ask that their cultural heritage and language rights should be protected. Considering the fact that the government of Ontario persists in refusing to recognize the right of Franco-Ontarians to communicate with their government and legislature and with their Ontario courts in the official language of their choice, I move, seconded by the hon. member for Spadina (Mr. Heap):

That the House of Commons amend the constitutional resolution to make Section 133 of the British North America Act, in other words, Sections 16 to 20 and 22 of the constitutional resolution, applicable to Ontario, and to provide for entrenchment of the language rights of Franco-Ontarians in the Charter of Rights and our Constitution.

Madam Speaker: The House has heard the motion presented by the hon. member. Pursuant to Standing Order 43, this motion requires the unanimous consent of the House. Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

AGRICULTURE

REQUEST THAT GOVERNMENT PARTICIPATE IN EXHIBITION AT SALON DE L'AGRICULTURE IN MONTREAL—MOTION UNDER S.O. 43

Mr. Marcel Dionne (Chicoutimi): Madam Speaker, pursuant to Standing Order 43, I seek the unanimous consent of the

House to move a motion on a matter of urgent and pressing necessity.

An agricultural exhibition will be held in Montreal in the next few days. The federal government has already contributed $50,000, plus an additional $46,000 as an incentive to farm producers to participate in this exhibition and conduct a seminar on farm produce exports to benefit the Quebec agri-food industry. We are shocked to learn that the Quebec Minister of Agriculture, Mr. Jean Garon, has just asked the federal government to abstain from participating in this exhibition. I move, therefore, seconded by the hon. member for Lévis (Mr. Gourde) as well as the hon. member for Elgin (Mr. Wise):

That the House condemn the Quebec government and urge the Canadian government to make every effort to ensure the participation of the federal Department of Agriculture in this exhibition, since Quebec farm producers play an important part in feeding our society and should not become hostages to the Quebec Minister of Agriculture.

Madam Speaker: Order, please. Pursuant to Standing Order 43, this motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

REGIONAL ECONOMIC EXPANSION

REQUEST FOR MEASURES TO STIMULATE DEVELOPMENT OF SMALL AND MEDIUM-SIZED ENTERPRISES—MOTION UNDER S.O. 43

Hon. Roch La Salle (Joliette): Madam Speaker, under the provisions of Standing Order 43, I seek the unanimous consent of the House to move a motion of urgent and pressing necessity.

In view of the fact that some 2,588 Quebec businesses have gone bankrupt during the first ten months of 1981, incurring total losses of $354 million, in view of the fact that such a disaster has particularly affected the Quebec economy where 40 per cent of Canadian bankruptcies occurred since January 1, even though 74 Quebec members are sitting on the government side, I move, seconded by the hon. member for Edmonton-Strathcona (Mr. Kilgour):

That the House condemn the Minister of Finance for his inflationary and irresponsible budget and ask the Minister of Regional Economic Expansion to meet with his Quebec counterpart so that both governments may work together to really promote and develop the small and medium-sized businesses that are still in operation.

Madam Speaker: Presentation of such a motion for debate pursuant to Standing Order 43, requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

[*English*]

CANADA POST

PROPOSED INCREASE IN POSTAL RATES—MOTION UNDER S.O. 43

Mr. John McDermid (Brampton-Georgetown): Madam Speaker, the President of Canada Post Corporation has been presented with a brief from the Gift Packaging and Greeting Card Association of Canada demonstrating dramatically the decrease in business with each increase in postal rates. Now with the proposed huge unjustified increase all at once, the outlook for the Canadian greeting card industry is not bright. I therefore move, seconded by the hon. member for Prince George-Bulkley Valley (Mr. McCuish):

That the Government of Canada instruct the President of Canada Post Corporation not to enact the outrageous increase in postal rates at this time of high inflation, high unemployment and slow economic growth, and thus give Canadians, for a change, a break.

Some hon. Members: Hear, hear!

● (1415)

ORAL QUESTION PERIOD

[*English*]

AUTOMOTIVE INDUSTRY

IMPORTATION OF JAPANESE MANUFACTURED AUTOMOBILES

Hon. Sinclair Stevens (York-Peel): Madam Speaker, my question is directed to the Minister of Industry, Trade and Commerce who undoubtedly noted the massive lay-offs which were reported this week, on top of lay-offs which were reported in the auto industry last week. Would the minister indicate how he explains that imports of Japanese cars in the first nine months of this year are up 118 per cent, when he assured the House only last June that he had an agreement that such imports would not exceed 10 per cent over last year?

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Madam Speaker, the understanding of the Japanese is that they would restrain the level of exports to Canada to 174,000 for the period April 1, 1981 to April 1, 1982. The arrangement does not begin until the fourth month of 1981. My hon. friend is not counting the right period.

An hon. Member: You are not counting the cars.

Mr. Gray: That being the case, we have been in touch with the Japanese to confirm that they will be maintaining their forecast of the level of exports which I have mentioned. They have assured us, in talks with my officials and with the

Secretary of State for External Affairs, that they expect to maintain that forecast.

* * *

TRADE

LEVEL OF TRADE BETWEEN CANADA AND JAPAN

Hon. Sinclair Stevens (York-Peel): Madam Speaker, again my question is directed to the Minister of Industry, Trade and Commerce. Surely he noted that in the first nine months of this year Japanese imports were up 56 per cent. Exports to that country were down in the same period. This leaves only a slight surplus of trade between Canada and Japan. If he has noted that, would he indicate to the House what steps he has taken to curtail this exportation of jobs to other countries from Canada? In short, has he given any thought to taking steps to having some of these Japanese products manufactured in Canada?

Some hon. Members: Hear, hear!

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Madam Speaker, we have been working to encourage the Japanese to establish facilities here or to increase their purchases from Canadian companies. In fact the other day my hon. friend talked about the Mitsui company and the $1.5 billion worth of business it does here. He neglected to mention that this was a great trading company. The total volume he mentioned reflects both their exports from and imports into Canada. This particular company has been responsible for the sale of hundreds of millions of dollars of Canadian products in Japan and other countries.

Mr. McDermid: How much in manufactured goods?

Mr. Gray: My hon. friend neglected to mention that at that particular point in time.

An hon. Member: What about coal?

Mr. Gray: In any event, we are continuing our efforts to increase our share of exports to Japan to be more in the area of manufactured goods. We continue to have a surplus with that country. I am wondering what my hon. friend is saying. Is it that Conservative members from British Columbia and the western provinces want to prevent any Japanese cars coming into the country? I presume that is now their official policy.

GOVERNMENT POLICY ON EMPLOYMENT

Hon. Sinclair Stevens (York-Peel): Madam Speaker, again my question is directed to the Minister of Industry, Trade and Commerce who wishes to deal in the figures which I put on the record only a few days ago. He must know that in the top Canadian companies there are eleven Japanese firms doing sales in Canada of $5 billion, yet they collectively employ fewer than 2,000 Canadians. Would the minister indicate to the House how he intends to continue supporting a policy whereby tens of thousands of Canadian jobs are being exported to other countries while our unemployed go without jobs, as is being demonstrated with GM, Ford, and other concerns every week?

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Madam Speaker, we are working to increase the number of manufacturing jobs in the country, as demonstrated by projects like the KHD diesel engine plant in Quebec where there are to be 1,300 jobs, and as demonstrated by the Burrard Yarrows shipyard expansion with its hundreds of jobs in British Columbia.

Mr. Crosbie: What about the St. John's, Newfoundland shipyard?

Mr. Gray: It is exemplified, as the hon. member says, by the Saint John, New Brunswick, shipyard expansion, with hundreds of jobs there. It is exemplified also in a company I visited yesterday in St. John's, Newfoundland, Ice Engineering Ltd., which with the help of the federal government is expanding its operations in the advanced technology offshore area.

• (1420)

We are working to expand the number of manufacturing jobs in this country. My hon. friend is saying that, in spite of the commitment that he claims to an open trading system, he wants to put blockages in the way which cannot help but inhibit our ability to create more manufacturing jobs by selling more manufactured goods to Japan and other countries around the world. What hypocrisy, Madam Speaker!

* * *

LABOUR CONDITIONS

LAY-OFFS IN SOUTHWESTERN ONTARIO

Mr. Otto Jelinek (Halton): Madam Speaker, that answer is so much hogwash. Since the last budget, which the minister himself supports, there have been over 100,000 lay-offs or jobs lost in southwestern Ontario alone, in sectors such as the auto industry, at Admiral, and so on. The minister is telling us that he is doing such a tremendous job in creating jobs. Would he tell the 100,000 people unemployed in the last two weeks alone why they will continue to be unemployed during Christmas?

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Madam Speaker, we are very concerned about these lay-offs. The basic approach of the budget is to create a climate to encourage further investment and economic activity to help these people get back to work. A basic approach of the budget is to reinforce the movement to reduced interest rates, which has been very much a pattern of our activity since August. We are working to help get people back to work.

A major cause of lay-offs is the downturn in the economy of the United States, our major export market. This is something on which unfortunately, this government has no direct hold. Perhaps my hon. friend should go to his colleagues in the

United States who practise Reaganite economic policies, which they love, and tell them, as did Mr. Stockman in that government, that they are not on the right track in so far as it pertains to Canada and other western countries.

* * *

AUTOMOTIVE INDUSTRY

PERCENTAGE OF CANADIAN CONTENT IN OFFSHORE IMPORTS

Mr. Otto Jelinek (Halton): Madam Speaker, in the auto industry alone in the last ten days there have been over 12,000 lay-offs, again in southwestern Ontario. The minister should know by now that he has failed dramatically in his agreement with Japan. Imports are increasing on a monthly basis. Last month they increased by over 45 per cent from the month before. He should know that the only answer really is to increase the Canadian content in all offshore imports, particularly those from Japan.

A year ago the minister told us that his goal was to increase the Canadian content in Japanese autos. The Canadian content at that time was less than 1 per cent. Today it is far less than 1 per cent. I should like to ask the minister where he has failed. Has he changed his goals? What specific action is he going to take to increase the Canadian content in our offshore imports, particularly those from Japan?

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Madam Speaker, the unfortunate lay-offs in the auto industry are due principally to the fact that 80 per cent of our production is exported to the United States market. That market is very weak. The administration of that country has admitted that it is in a recession.

As well, the restraint undertaking that Japan has entered into is for a 12-month period extending from April 1 this year to April 1 next year. Basically we are six months into that period. We have been expressing our concerns to the Japanese about the level of exports and they confirm their intention of meeting the forecast figure of 174,000.

With respect to increasing Canadian content in imported vehicles, we are continuing our efforts. We are discussing various projects with the Japanese companies. We have achieved one initial success in the area of increasing Canadian content in imported vehicles by the arrangement we entered into with Volkswagen a few weeks ago, an arrangement which will mean an increase in Canadian content over a few years to 84 per cent in their vehicles imported to this country. That is a much higher level of content than is required for motor vehicles manufactured here. I look forward to this agreement and the some 1,500 jobs involved in it—

Some hon. Members: Order, order.

Mr. Gray: —across the country, as being the harbinger of similar agreements to come. We are making progress in the area of Canadian content—

An hon. Member: Speech!

Mr. Gray: —and we intend to make more progress.

Miss MacDonald: Ask the unemployed.

● (1425)

REQUEST FOR REMOVAL OF FEDERAL SALES TAX ON CANADIAN MANUFACTURED CARS

Mr. Edward Broadbent (Oshawa): Madam Speaker, that was one of the longest recorded announcements this House has ever heard. I listened to the minister with care, but it took some doing to concentrate on that answer within that period of time. However, it has been announced that 5,000 workers will be laid off by GM in Ste. Therese, in Oshawa, and in other communities in Quebec and Ontario. The minister has not said one thing today which will provide an additional job for them before Christmas.

I would like to ask the minister something very specific. Since the price charged to Canadian consumers for cars produced in Canada remains substantially higher than the price charged for the same cars in the United States, will the minister remove the 9 per cent federal sales tax on cars on the condition that that tax saving be passed on to the consumer, and on the further condition that the North American producers of cars in Canada start charging Canadians the same price they charge Americans?

Some hon. Members: Hear, hear!

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Madam Speaker, I am sure that the Minister of Finance listened to that representation very attentively, and he is in the best position to deal with this important matter of tax policy. However, I will say, in addition, that what we have been doing to reinforce the trend to lower interest rates should be strengthening the market for Canadian built cars in this country. I hope that the market in the United States for the 80 per cent of our production in this country exported there will also be strengthened, thereby bringing further help to auto workers in this country.

Mr. Broadbent: Madam Speaker, I will give up on him and try the smiling Minister of Finance.

REQUEST THAT CANADIAN AND AMERICAN PRICES BE EQUALIZED

Mr. Edward Broadbent (Oshawa): Madam Speaker, cars produced in Oshawa, Windsor or St. Catharines are sold in the United States for prices which are in the neighbourhood of $1,500 or less than the prices in Canada. Will the Minister of Finance take immediate steps to stimulate the market in Canada, to produce jobs, and to reduce the federal sales tax on the condition that the producers in Canada charge Canadians the same prices as Americans for those cars?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, that proposal would be quite the wrong thing to do at the present time. The hon.

member has been urging me and the government over the past number of months to take measures, and to develop an economic policy which would have the effect of reducing interest rates and inflation in this country; especially interest rates, from his point of view. That is the type of policy which I have adopted. I believe that if I accepted the hon. member's approach, I would be co-operating with a reversal of the downward trend in interest rate reduction.

Some hon. Members: Hear, hear!

POSSIBLE EFFECT OF PRICE EQUALIZATION

Mr. Edward Broadbent (Oshawa): Madam Speaker, I confess, and I am prepared to take a short lecture from the Minister of Finance, that I did not understand the connection at all between what I asked him and what he answered. Would he explain to the House why charging Canadian consumers the same price for cars produced in Canada as for those which are sold in the United States would cause interest rates to go up in this country?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I think that if the honourable member will refer to his question he will find that he talked about his stimulating demand for automobile sales.

Mr. Broadbent: Yes.

Mr. MacEachen: It was to that aspect of the question that I was directing my attention.

Some hon. Members: Oh, oh!

* * *

CRIMINAL CODE

APPLICATION OF ABORTION PROVISIONS

Mr. W. Kenneth Robinson (Etobicoke-Lakeshore): Madam Speaker, my question is directed to the Minister of Justice; however, in his absence I would ask the question of the Prime Minister. Will the Prime Minister advise the House if the Criminal Code of Canada will still be the governing law concerning abortion after the constitutional package becomes law?

Right Hon. P. E. Trudeau (Prime Minister): Yes, Madam Speaker, it is quite clear in my mind that the criminal power still remains with the federal government. In the unlikely case where any court would say the contrary, we could always "notwithstand" that particular judgment and go ahead and act on abortion in the way that this—

Mrs. Mitchell: Oh, great!

Mr. Trudeau: Oh, there is a lady over in the NDP who is worried. Now, what is her point of view?

Mrs. Mitchell: An hon. lady!

Some hon. Members: Oh, oh!

An hon. Member: She is from British Columbia.

Mrs. Mitchell: Vancouver, too!

An hon. Member: B.C. is insulted.

An hon. Member: Go back to B.C.

• (1430)

Mr. Trudeau: Any time. I would be happy to go back to B.C.

Some hon. Members: Hear, hear!

Mr. Crosbie: Why not retire there?

Some hon. Members: Oh, oh!

Mr. Crosbie: What about retirement?

Mr. Trudeau: Most British Columbians are grown up people. If they realize what kind of members they have sent here, they would change their minds very quickly.

Some hon. Members: Oh, oh!

Mr. Clark: Try it, Pierre.

Mr. Hnatyshyn: Keep going. I think we are winning.

Mr. Trudeau: I hope members opposite keep thinking they are winning. We are very happy with this opposition. We would like them to stay there forever.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Trudeau: If the essence of the question is whether this House continues to have the right to deal with abortion, Madam Speaker, the answer is yes. It will be the Parliament of Canada which will still be writing the Criminal Code, and members of this House will have the responsibility, and I wish them well, in dealing with the problem of abortion.

Mr. Nielsen: Is that a promise?

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FISHERIES

EFFECT OF IMPLEMENTATION OF PEARSE COMMISSION RECOMMENDATIONS ON SIZE OF WEST COAST FISHING FLEET

Hon. John A. Fraser (Vancouver South): Madam Speaker, my question is for the Minister of Fisheries and Oceans. As the minister knows, the United Fishermen's and Allied Worker's Union was before our committee today and Dr. Pearse, the author of the Pearse commission report on west coast fisheries, was before our committee the other night. Dr. Pearse was unable to give us any indication, either in his report or in his

testimony, of what shape the fishing fleet would take after the proposed buy-back program, in other words, how many vessels of whatever type or gear types would be left in the fleet. Can the minister tell us whether the government knows what type of fleet would be there after the buy-back?

If the government does not know, can the minister tell us whether it is appropriate to proceed at the present time with the royalty provisions, which Dr. Pearse recommended, until we all know, including the fishermen on the west coast, what kind of fleet the government has in mind after completion of the program?

Hon. Roméo LeBlanc (Minister of Fisheries and Oceans): Madam Speaker, I did meet at considerable length with Dr. Pearse and representatives of the union. We discussed these very issues. I might say to the hon. member that nobody disagrees that the fleet, whatever shape it takes, will be smaller. In other words, the catching capacity simply has gone beyond the bounds of the potential of the biology. For that reason, we should not lose the opportunity to start reducing the size of the fleet. I have not yet committed myself to a royalty program. This is part of the ongoing discussion and consultation that I hope to continue in my forthcoming trip to British Columbia in the next ten days. But surely no one I have heard has advocated that the fleet in the B.C. fishery should not be reduced.

CONSEQUENCES OF PROPOSED ROYALTY PROGRAM

Hon. John A. Fraser (Vancouver South): May I say through you, Madam Speaker, to the minister that we would be interested in knowing whether the government, or for that matter Dr. Pearse, has any studies which indicate what effect the proposed royalty program will have on individual fishermen on the west coast? In other words, before any royalty program is considered, can the government tell us what effect that program will have on the type of gear that will be taken out of the fleet? That is a legitimate and a proper question, and I ask the minister to address himself to it.

Hon. Roméo LeBlanc (Minister of Fisheries and Oceans): Madam Speaker, I would hope that if a Crown corporation were created, the board of that corporation would examine that sort of question. I, too, would be worried if the market forces were left absolutely free in this case, that a lot of the small marginal fishermen would be eliminated by "la force des choses", as we say. For that reason I would think that the input from fishermen, through their organization and through their representation on any body to emanate from recommendations in the Pearse report, would be so important. I think it is a matter of judgment. Certainly everyone agrees that some large units should be removed from the fleet, otherwise the individual small fishermen will bear the brunt of the program.

IMPLEMENTATION OF 1982 GROUNDFISH MANAGEMENT PLAN

Mr. Lloyd R. Crouse (South Shore): Madam Speaker, my question is addressed to the Minister of Fisheries and Oceans. When the minister spoke recently to the Prince Edward Island Fishermen's Association, according to the press he stated that the 1982 groundfish management plan will likely exclude all but the older offshore trawlers and the inshore fishermen from fishing in the Gulf.

Since the minister's statement includes all types of fishermen, and in light of present unemployment in the industry, can the minister tell us whether he has decided how many fishermen, and how many boats, both large and small, he plans to license for the Gulf fishery in 1982? Also, can the minister tell us how many deep sea trawlers that are licensed in continental France will be permitted to fish in the Gulf next year, or have they been excluded from the Gulf along with all large Canadian trawlers?

Hon. Roméo LeBlanc (Minister of Fisheries and Oceans): Madam Speaker, consultations with the industry representatives, the provinces and the federal government took place over the past week. I have not yet seen the final report from the advisory groundfish committee meeting.

The question of the French vessels is very simple. They are there by treaty with Canada. Surely the hon. member does not advocate that we break treaties. As for the larger units which were asked to fish in the new 200-mile limit, where they have been fishing profitably, I do not think their real problems will be solved by 5,000, 6,000 or 10,000 tonnes of fish from the Gulf, in direct competition with the small boat fishermen. If the committee has recommended some leniency in this matter, I have not yet been told of it.

CLOSURE OF NOVA SCOTIA INSHORE FISHERY AREA

Mr. Lloyd R. Crouse (South Shore): Madam Speaker, I have one brief supplementary question for the same minister. In light of the minister's answer at this moment, why did the minister arbitrarily close down the inshore fishery in Nova Scotia in the area slated on the charts as 4VN, tying up the fleet of 28-foot boats operating out of Neils Harbour, Dingwall and Ingonish, with the excuse that they had caught 112 per cent of their quota, while at the same time the minister left open area 4T adjacent to his New Brunswick constituency, where I am informed the fishermen have caught 145 per cent of their quota?

Some hon. Members: Oh, oh!

Hon. Roméo LeBlanc (Minister of Fisheries and Oceans): Madam Speaker, I expect the odd slander in this House, but I did not expect that one from the hon. member.

An hon. Member: It is the truth.

Mr. LeBlanc: The decision as to when to close down quotas are made by my regional director and his staff. They are made on recommendations of the biologist. They are also made with some reference to what kind of fishery the fishermen have had in the past season. I assume that they made this decision for exactly the same reasons.

Oral Questions

MARINE TRANSPORT

SHIPMENT OF BRITISH COLUMBIA COAL TO JAPAN

Mr. Ian Waddell (Vancouver-Kingsway): Madam Speaker, our party believes that Canadian resources should be transported in Canadian built and Canadian crewed ships, especially when it comes to the upcoming energy megaprojects. Does the Minister of Industry, Trade and Commerce know whether Federal Commerce and Navigation Ltd. is presently building two 150,000 tonne bulk carriers in Belgium, and another two in Korea, to ship coal from northeastern British Columbia to Japan? Is the minister aware of this fact, and will the minister tell the House that he is prepared to have Canadian resources shipped in Canadian ships?

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Madam Speaker, I am generally aware of those plans. I strongly support the over-all principle of having more of our resources processed and upgraded here, using Canadian skills and Canadian services. That is one of the major objectives of our industrial and regional benefits program that we announced last August. Also, in that connection, I want to remind the House that just the day before yesterday Gulf announced the building of a number of ships in Canadian shipyards. That is the trend we want to encourage.

POSSIBLE USE OF CANADIAN SHIPS TO TRANSPORT ARCTIC GAS

Mr. Ian Waddell (Vancouver-Kingsway): Madam Speaker, that answer of the minister's reminds me of the fading old crotchety philosopher king who said it is often those who live at the foot of great mountains who are the last to climb the mountains. Let me invite the minister to climb a mountain.

In the Arctic pilot project, it is proposed to ship arctic gas from Melville Island to the Strait of Canso or to Gros Cacouna, to be transshipped to the United States or shipped to Europe. That is again going to be done with foreign ships. Is the minister prepared to bring down an industrial strategy which will ensure that transportation of our resources from these great energy projects will be carried out in Canadian built and Canadian crewed ships?

● (1440)

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Madam Speaker, I do not think that all elements of the Arctic gas project have been confirmed and finalized as yet, and the matter regarding the ships to be used remains an important one to be gone into. I just want to remind the House that a basic objective of the industrial benefits policy which we announced a few months ago is to ensure a full and fair opportunity on a competitive basis to Canadian workers and companies in Canada, and as far as I am concerned this certainly includes Canadian ships.

[*Translation*]

AGRICULTURE

INQUIRY WHETHER MINISTER WILL ATTEND AT SALON DE L'AGRICULTURE IN MONTREAL

Mr. Marcel Dionne (Chicoutimi): Madam Speaker, my question is directed to the Minister of Agriculture. In view of the fact that a symposium on livestock feed is now being held at the Conference Centre in Ottawa and that Quebec is not represented, considering that the Minister of Agriculture has given the Salon de l'agriculture $96,000 on behalf of the Canadian Government and that the Quebec Minister has asked Ottawa to stay home, and finally considering that Agriculture Canada supports agriculture in Quebec to the tune of $247 million, I would ask the minister of Agriculture whether he intends to go, nevertheless, to the Salon de l'agriculture which is being held in Montreal for Quebec producers of farm products and for the agro-food industry in general.

[*English*]

Hon. E. F. Whelan (Minister of Agriculture): Madam Speaker, I did attend the forage symposium that took place in Ottawa. There were Quebec farmers in attendance who wanted to learn as much as they could about modern technology in the production of food for their livestock. We still intend to attend the trade symposium we are putting on at the Salon de l'agriculture in Montreal, regardless of what the minister of agriculture for Quebec wants. We have participated in this program. We have given $50,000 in outright grants for this organization, and $46,000 in prize money yearly.

The people who exhibit at the agricultural show are from all over eastern Canada, so this is not a show that is isolated to Quebec. We have met with the farmers and they still want us to go there, so we intend to be there next Wednesday.

Some hon. Members: Hear, hear!

* * *

[*Translation*]

HAZARDOUS SUBSTANCES

INQUIRY WHETHER FINANCIAL AID WILL BE GRANTED TO VICTIMS OF UREA FORMALDEHYDE FOAM INSULATION

Hon. Roch La Salle (Joliette): Madam Speaker, my question is directed to the Minister of Consumer and Corporate Affairs, and it concerns the victims of urea formaldehyde. Nearly 500,000 people are affected by this problem in Canada and the Minister has said previously that he was in favour of an investigation being held to find out who is really to blame. The fact remains that thousands of Canadians and Quebecers are having to cope with this problem. I therefore wish to ask the minister whether he is prepared to help these people, who otherwise have no way of protecting themselves, by recommending that a special fund be set up to help them finance the necessary improvements in their homes, and depending on the

results of the investigation, the government will still be able to recover these amounts as soon as it finds out who are the real culprits.

Hon. André Ouellet (Minister of Consumer and Corporate Affairs): Madam Speaker, the hon. member knows perfectly well that the Canadian government has already acted responsibly by setting up an information centre in Ottawa which provides advice free of charge to all the victims of this product and who are seeking assistance and information from the government. The government has initiated a series of tests in some 2,400 homes in Canada for the purpose of making a scientific assessment of the effects of this product.

The government is spending several hundred thousand dollars on research through the National Research Council, in order to find ways of dealing with the effects in question. We have already said this was only the first step in a series of measures to help the people concerned. Tomorrow morning in Montreal, I am meeting with an association formed by the victims of this product. We shall be discussing what they expect the government to do and I shall ask them what recommendations they would have for the Canadian Government and the provincial governments as well, that is, what steps they would recommend that both levels of government take to correct the situation.

Mr. La Salle: Madam Speaker, I have a supplementary question for the hon. minister. Once again, I know the minister will tell us that he has ordered a lot of investigations. He knows perfectly well that these several thousand people are faced with financial problems. Could the minister tell us today whether or not he intends to recommend that a special fund be set up to give them immediate assistance, considering the fact that these people cannot spend the winter in these homes? I feel that this would certainly help those concerned to ask pertinent questions tomorrow when they meet the minister. They need financial support, and could the minister tell us whether or not he intends to take immediate action, in view of the fact that the government stands to recover this expenditure as soon as the investigation has revealed who are the real culprits? In any case, if the government is to blame, recovery would be unnecessary.

Mr. Ouellet: Madam Speaker, I think that finding the guilty party is not terribly important for the victims of this product. I feel the most important thing is to give them technical advice,—

Mr. La Salle: Money!

Mr. Ouellet: —and help them solve this problem. That is why I will meet with them and I will discuss the problem with the persons concerned and not with Don Quixote types like the member for Joliette, who try to act on behalf of the real victims of this situation. I prefer to meet the people concerned instead of talking about them with the member for Joliette.

[*English*]

BANK OF CANADA

SALE OF TREASURY BILLS

Mr. Don Blenkarn (Mississauga South): Madam Speaker, my question is for the Minister of Finance. The minister will know that his traders and the Bank of Canada yesterday and this morning interfered with the market so that treasury bills today sold at only slightly less than they did last week. I am wondering how the minister can explain to this House why he has deliberately kept interest rates higher in Canada than in the United States, and why Canadian treasury bills sell for 50 per cent more than American treasury bills?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, as the hon. member knows, the Canadian bank rate has dropped rather rapidly, and at the present time is at the lowest level it has been in the last year. Today the bank rate experienced a further drop, so I do not believe the hon. member has much foundation to argue that the governor of the bank is restraining a drop in the Canadian bank rate. The evidence is there before him.

EFFECT OF GOVERNMENT ACTIONS

Mr. Don Blenkarn (Mississauga South): Madam Speaker, the minister will know that the activities of his traders, and the advice given to the Canadian market place by the major banks would indicate that if it were not for his interference in the market, Canadian interest rates today would be at least 1 per cent lower than they are now. I want to know from the minister why he continues to pretend he is allowing the Canadian dollar and interest rates to float in Canada when he is deliberately trading in the market in such a fashion as to keep rates higher here than they need be.

• (1450)

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I assure the hon. member that there is no intention on the part of myself or the Bank of Canada to prevent orderly reductions in the Canadian bank rate. The hon. member knows that it has always been the policy of the Bank of Canada on the exchange market to attempt to even out fluctuations in the value of the dollar. Occasionally these fluctuations have to be evened out on the money market as well.

The trend is downward. The bank rate went down further today. It is at the lowest level in a year. I am very delighted that that trend will continue and that the hon. member believes that there is further room for a descent in the value of the Canadian bank rate. I hope that he attaches that improvement very directly to the budget which I presented.

Some hon. Members: Oh, oh!

Oral Questions

THE BUDGET

EFFECT ON RETIREMENT INCOME OF FARMERS

Mr. Len Gustafson (Assiniboia): Madam Speaker, I have a question for the Minister of Finance. It arises out of an answer given yesterday by the Minister of Agriculture. The minister will be aware of the very serious situation which exists in contract annuities with regard to farmers and the sale of their farms, cattle, or the sale of their machinery, in taking from many farmers the only retirement savings plan they have. The Minister of Agriculture said yesterday that he would submit in writing a presentation to the Minister of Finance that came from Members of Parliament, different farm groups and accountants. I am asking the Minister of Finance what he is prepared to do for the farmers who find themselves in a very difficult situation in regard to his budget.

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, there have been a number of questions raised in the House about the impact of the elimination of the income-averaging annuities. As the hon. member knows, the intention is to replace that system with a more equitable one called forward averaging. I believe that the new system will prove in the long run to be better than the income-averaging annuity contract system which the hon. member has mentioned. I want to add, as has been mentioned previously by myself, that I am quite prepared to hear representations—

An hon. Member: You are hearing them.

Mr. MacEachen: —from various interest groups with respect to the impact of these tax changes on their situation. I made that indication quite clear in a press release issued last week, and applied it directly to the possibility of transitional rules for interest deductibility.

I am quite prepared to receive the representations of the hon. member and of the Minister of Agriculture and others with a view to improving the proposals which, in due course, will be debated before the House of Commons. The hon. member realizes that all these measures will have to come before a committee of the whole House and they will have to be discussed in detail.

In the meantime I will be considering all representations that will be made with a view to ensuring that the equity, which is my objective, will be fully implemented.

Some hon. Members: Hear, hear!

Mr. Hnatyshyn: It would be a shorter answer if you tell us what you are not changing.

MULTICULTURALISM

DEPICTION OF TAILOR IN "SHOP CANADIAN" ADVERTISEMENT

Hon. Perrin Beatty (Wellington-Dufferin-Simcoe): My question is for the Minister of State (Multiculturalism). As part of his personal war on the media he gave a speech in Toronto on November 9 in which he criticized ethnic stereotyping in the media. He cited a number of advertisements which he called conspicuous examples of this. Why did the minister, when he gave those examples, not mention the most conspicuous example? A federal government advertisement for "Shop Canadian", which features a tailor named Rinaldo who speaks in heavily accented English, is an advertisement which was approved when the minister was responsible for government advertising. In particular, will the minister assure that in the future, before he attacks the media, his own house is in order first?

Some hon. Members: Hear, hear!

Hon. Jim Fleming (Minister of State (Multiculturalism)): Madam Speaker, I hope, without sounding pious, I know more about the media than does the hon. member, having worked in it for a number of years.

Some hon. Members: Hear, hear!

Mr. Fleming: I probably spend more time defending the media than the hon. member. Certainly if there is a case of that kind of stereotyping with the particular advertisement he mentioned, I will look into it and talk to my colleague, the Secretary State, because that is wrong if it is happening.

* * *

FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS

APPLICATION OF NEW FORMULA TO HAVE-NOT PROVINCES

Mr. Tom McMillan (Hillsborough): Madam Speaker, my question is directed to the Minister of Finance. In the minister's budget, the new formula for equalization payments to the have-not provinces—to the disadvantaged provinces—will be based on the capacity of Ontario to raise revenues, rather than on a national average as has been the case in the past.

Will the minister come clean with the House and admit that, should the economy of Ontario continue to decline, the effect of this new formula will be that fewer provinces will qualify for equalization payments, and those that do qualify will receive less? Will he admit that the effect of the new formula will be to deny have-not provinces much-needed revenue?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, that will not be the effect. Under the new formula that has been proposed to the provinces, equalization payments as a whole will be increased in the first year by 15 per cent. If the hon. member looks at the transfers to all the provinces under the new proposals which I

had made to the finance ministers, every province stands to benefit, including the province of Prince Edward Island. I think that is the most important point that can possibly be made at this time. Under the new system all provinces will gain each year, more and more and more. That is the reality.

* * *

WESTERN DEVELOPMENT FUND

PAYMENT OF COMPENSATION TO FARMERS AFFECTED BY EMBARGO ON SHIPMENTS OF GRAIN TO RUSSIA

Mr. Stan Hovdebo (Prince Albert): Madam Speaker, I have a question for the Minister of Finance regarding the phantom Western Development Fund. On budget day, in briefings conducted by the minister's staff, it was stated that $81 million in compensation payments to farmers for the Soviet grain embargo came from the Western Development Fund. The Minister of Agriculture has denied that fact, saying that the compensation fund came from his spending envelope and not from the fund. Can the minister straighten this out by telling us exactly where the funds came from for the embargo payments?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I will be glad to look into that question. Obviously there is a conflict of information. I would like to look at what the Minister of Agriculture said, and discuss the matter with my officials. After checking into it, I will be glad to give the hon. member the information.

PURPOSE OF FUND

Mr. Stan Hovdebo (Prince Albert): Madam Speaker, since the Western Development Fund did not appear in the supplementary estimates, could the minister again straighten this out for the House by tabling the planning and disbursement of these funds so we can be sure that the Western Development Fund is not a Liberal party vote-getting slush fund?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): No, Madam Speaker, there is no danger that it will become that. No such funds exist within the Liberal party. I believe I have laid out, rather fully, in the budget paper entitled "The Budget in More Detail", the reprofiled Western Development Fund, which is intended to support western transportation and assistance to the native people. I believe all those facts are set out in that particular paper.

* * *

FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS

EQUALIZATION PAYMENTS TO PROVINCES

Hon. Robert Howie (York-Sunbury): Madam Speaker, my question is for the Minister of Finance. It is in the nature of a supplementary to a question asked a moment ago by my colleague from Hillsborough about equalization payments.

Is it the intention of the government to effect net savings in payments to the provinces under the new equalization formula? I understood the Minister of Finance to say that the answer to that would be no, but I would ask him to clarify that for me. If the answer is no, would he give a guarantee to the provinces which are eligible to receive equalization that they will receive no less than they would have received under the existing formula? If they do receive less, will the government make up the difference?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): No, Madam Speaker, it is not possible to give that assurance. It has been demonstrated that the present formula for equalization is unworkable. The best proof of that is that in the course of this session it was necessary to bring in a special law in order to prevent Ontario from receiving equalization to which it was entitled under the equalization formula. Therefore, I would argue that a formula is defective if you have to exclude any particular province arbitrarily. That is why it was necessary to bring forward a new formula based on the Ontario standard, in the belief that the province of Ontario has the fiscal capacity to provide a reasonable standard of public service and that it is the job of equalization to ensure that all provinces have that reasonable standard. That is what we propose to do.

● (1500)

However, I would attempt to assure my hon. friend by telling him that, regardless of the change in the formula, the equalization payments for the first year of the new formula will increase by 15 per cent. I believe that is a rather substantial rate of growth in equalization payments that would occur to the provinces year over year.

* * *

PETITIONS

MRS. MITCHELL—THE CONSTITUTION—REQUEST FOR DELETION OF SECTION 33 OF CHARTER

Madam Speaker: I have the honour to inform the House that the Clerk of the House has laid upon the Table the one hundred and thirty-sixth report of the Clerk of Petitions stating that he has examined the petition presented by the hon. member for Vancouver East (Mrs. Mitchell) on Wednesday, November 25, 1981, and finds that it meets the requirements of the Standing Orders as to form.

* * *

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. Nielsen: Madam Speaker, I would like to ask the government House leader the usual Thursday question with respect to business of the House. He will recall that he had already indicated we would be continuing the fifth day of the

budget debate tomorrow. However, he has indicated to me that that might be changed as the order of business for tomorrow. At the same time, he might indicate what the business will be as far as he can into next week.

In addition, may I suggest to the government House leader that we in this party are prepared to vote now on the amendment to the resolution by the Minister of Indian Affairs and Northern Development, subject to the following. Ordinarily the next speaker recognized in the debate would be a member from the government side. The usual rotation would bring the order of speaking back to this side. I am therefore suggesting that after the vote he agree that I be recognized immediately following the vote as the first speaker on the resumed debate. If that is agreed, we are prepared to vote immediately on the amendment by the Minister of Indian Affairs and Northern Development.

Mr. Deans: Madam Speaker, that is a very appealing suggestion. I have one minor problem that I am sure we can overcome. We have a subamendment we would like to move to Section 34 that would take perhaps 15 minutes. I would ask if we could alter the suggestion by the House leader for the official opposition to allow 15 minutes for us to move a subamendment to Section 34 and have the vote take place at, let us say, 3.20?

Mr. Epp: Madam Speaker, could the House be made aware of the essence of the NDP subamendment?

Mr. Deans: Yes, Madam Speaker, I will be happy to make hon. members aware of the essence of it. The essence is to put a consent clause in Section 34.

Mr. Nielsen: Normally, as a matter of courtesy we would have been supplied with copies of the amendment. I wonder if we might have a copy of the proposed amendment by the NDP?

Mr. Deans: Always wishing to be courteous, Madam Speaker, I would be delighted to provide a copy of the subamendment.

[*Translation*]

Mr. Pinard: Madam Speaker, meanwhile I could perhaps answer the first part of the question put by the House Leader of the Progressive Conservative Party. Regarding the business of the House, for today, I can inform the House that tomorrow and next week, if necessary, we shall continue the debate on the constitutional resolution moved by the Minister of Justice (Mr. Chrétien). I hope we shall be able to finish this evening or tomorrow. If we do not finish tomorrow, we shall probably resume the debate next week. In the circumstances, contrary to what I said last week, tomorrow's debate on the budget has been postponed.

ROUTINE PROCEEDINGS

[*Translation*]

AGRICULTURE

Mrs. Eva Côté (Rimouski-Témiscouata): Madam Speaker, I have the honour to table in the House, in both official languages, the fifth report of the Standing Committee on Agriculture.

[*Editor's Note: For text of above report, see today's Votes and Proceedings.*]

* * *

SUPPLEMENTARY ESTIMATES (D), 1981-82

A message from His Excellency the Governor General transmitting supplementary estimates (D) with regard to sums required for the public service of Canada for the financial year ending March 31, 1982 and, pursuant to the provisions of the British North America Act, 1867, recommending those estimates to the House of Commons, was presented by Hon. Donald J. Johnston (President of Treasury Board) and read by Madam Speaker to the House.

[*English*]

Hon. Yvon Pinard (President of the Privy Council): Madam Speaker, following the tabling of the estimates, I move:

That the Supplementary Estimates (D), 1981-1982, tabled this day, be referred to the Standing Committee on Finance, Trade and Economic Affairs.

Madam Speaker: Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to.

* * *

PETITIONS

MR. TOWERS—EFFECTS OF HIGH INTEREST RATES

Mr. Gordon Towers (Red Deer): Madam Speaker, I have the duty to present to the Honourable the House of Commons in Parliament assembled a petition on behalf of my constituents.

The petition of the undersigned humbly sheweth: That certain residents of Red Deer, Alberta, are concerned about high interest rates and demand government action to alleviate the burden on ordinary citizens.

The petitioners hope, Madam Speaker, that in your examination of their petition you will find the petition in order, sense the urgency and desperation of their plea and that you might use the discretionary powers vested in your office to allow discussion and referral to committee at the earliest possible

moment. And your petitioners, as in duty bound, will ever pray.

MR. COLLENETTE—THE CONSTITUTION—REQUEST FOR DELETION OF SECTION 33 OF CHARTER

Mr. D. M. Collenette (York East): Madam Speaker, it is my duty, honour and pleasure to present a petition sponsored by the Ad Hoc Committee on Canadian Women on the Constitution which, under the leadership of one of my constituents, Mrs. Elizabeth Carr of Don Mills, Ontario, has obtained literally overnight 300 signatures from Torontonians who believe that the legislative override clause now in the constitutional resolution should be removed. It will be my hope that the nine provinces which signed the constitutional accord will also agree to these petitions.

* * *

PUBLIC PETITIONS TO PARLIAMENT

MEASURE RESPECTING PROCEDURE ON PRESENTATION OF PETITIONS

Mr. Stan Schellenberger (Wetaskiwin) moved for leave to introduce Bill C-642, respecting the presentation of petitions to Parliament.

Some hon. Members: Explain.

Mr. Schellenberger: Madam Speaker, presently there is no requirement for the government to take any action in terms of either acknowledging or reacting to petitions. This bill sets out guidelines which would result in petitions being a more effective democratic instrument than they are at present.

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

* * *

● (1510)

COMBINES INVESTIGATION ACT

AMENDMENT RESPECTING ISSUANCE OF COUPONS AND SAVINGS STAMPS

Mr. Jim Manly (Cowichan-Malahat-The Islands) moved for leave to introduce Bill C-643, to amend the Combines Investigation Act (promotional coupons and savings stamps).

Madam Speaker: Does the hon. member not have a statement?

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

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Order Paper Questions

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, the following questions will be answered today: Nos. 2,985, 2,986, 3,026, 3,052 and 3,266.

I would ask, Madam Speaker, that the remaining questions be allowed to stand.

[*Text*]

PUBLIC ACCOUNTS OF CANADA

Question No. 2,985—**Mr. Clarke:**

With reference to the professional and special services recorded by the Parliament of Canada under the House of Commons program at page 32.24, volume II of the 1979-80 Public Accounts of Canada, with particular reference to other types of services (a) how does the government account for the increase in expenditure for the item over that for 1978-79 (b) what was the name of each type of service (c) what was the amount paid for each service and, for contracts of a value more than $2,000, to whom was it paid?

Hon. Yvon Pinard (President of the Privy Council): The subject matter of this question falls within the administrative responsibility of the Speaker of the House of Commons. This information could best be made available to the Standing Committee on Public Accounts by the Speaker upon request.

LIBRARY OF PARLIAMENT

Question No. 2,986—**Mr. Clarke:**

With reference to the professional and special services recorded by the Parliament of Canada under the Library of Parliament at page 32.24, volume II of the 1979-80 Public Accounts of Canada, with particular reference to other types of services (a) how does the government account for the increase in expenditure for the item over that for 1978-79 (b) what was the name of each type of service (c) what was the amount paid for each type of service and, for contracts of a value more than $2,000, to whom was it paid?

Hon. Yvon Pinard (President of the Privy Council): The subject matter of this question falls within the administrative responsibility of the Speakers of the Senate and of the House of Commons.

See reply to question No. 2,985 answered this day.

WHITE PASS AND YUKON ROUTE RAILWAY

Question No. 3,026—**Mr. Cossitt:**

1. Did the Canadian Transport Commission hold a hearing in Whitehorse, Yukon in September, 1981 to determine why the White Pass and Yukon route railway should have more time to instal warning lights on crossings and, if so, what was the cost to the taxpayer of the hearing?

2. Had the warning lights already been installed in the spring of 1980 and had they been in operation since that time?

Mr. Robert Bockstael (Parliamentary Secretary to Minister of Transport): The Canadian Transport Commission advises as follows: 1. As provided for in Section 53 of the National Transportation Act, a hearing was held in Whitehorse on September 16, 1981, concerning the crossing protection over the White Pass and Yukon route railway at 4th Avenue in the city of Whitehorse. The cost of the hearing was $717.

2. The signal protection was operational as of September, 1980. However, as a result of the hearing it has been determined that modifications to the protection will have to be made.

CANADIAN PENSION COMMISSION

Question No. 3,052—**Mr. McKenzie:**

1. With reference to section 10.24 of the 1980 Report of the Auditor General, has the Canadian Pension Commission, since the release of the report, developed formalized standards for work processes within their control and (a) if so, what are they (b) if not, at what stage is the process?

2. (a) Did the Department of Veterans Affairs consider setting down firm time guidelines for pension application processing and, if so, on what date will they be imposed (b) will there be self-imposed sanctions for failure to meet the guidelines and (i) if not, for what reason (ii) if so, what are they and will they help to shorten processing time periods?

Hon. W. Bennett Campbell (Minister of Veterans Affairs): 1. Section 10.118 of the 1980 Report of the Auditor General recommended that the Canadian Pension Commission formalize processing time standards, to the maximum extent practicable, in all areas of the pension adjudication process under its control. Formalized standards have not yet been developed.

(a) Not applicable—see above.

(b) A control system is now in operation which enables measurements of performance. Based on the information provided by this process control system, the commission is working towards establishing formal processing time standards to the extent practicable for those processes within its control.

2. (a) The commission has under consideration the establishment of time guidelines for processing pension applications. No firm date has been established for imposing such guidelines. The Auditor General has recognized that, because of the very wide variation between pension applications, the development of specific time guidelines for their processing may be virtually impossible. The commission is attempting to develop an over-all average target time for the processing of applications.

(b) Because each case is different, there can be no sanctions for not meeting an over-all average target date in individual cases. Over-all production will be closely monitored and appropriate action taken if the average target times are not met.

CTC HEARING IN WHITEHORSE

Question No. 3,266—**Mr. Nielsen:**

1. With reference to the recent hearing held on September 16, 1981 in Whitehorse, Yukon by officials of the Canadian Transport Commission, western division, regarding an application for extension by the White Pass and Yukon route railway, file 49135.13, for the installation of flashing lights in the city of Whitehorse (a) what was the cost of the hearing (b) what were the names of all employees of the western division of the commission who attended the hearing and what was the total cost incurred for their attendance?

2. Was the installation completed on August 31, 1981 and, if so, what was the purpose of the hearing on September 16, 1981 to grant an extension of time in order to complete the installation on October 19, 1981?

Mr. Robert Bockstael (Parliamentary Secretary to Minister of Transport): The Canadian Transport Commission advises as follows: 1. (a) See answer to question No. 3,026 answered this day. (b) The western division of the commission was represented by Mr. B. Wolfe; costs were $717.

2. See reply to question No. 3,026 answered this day.

[*English*]

Madam Speaker: The questions enumerated by the parliamentary secretary have been answered.

Mr. McKinnon: Madam Speaker, I have brought up the question of the written questions Nos. 2,035 and 2,519 on three previous occasions. On each occasion the parliamentary secretary has said: "I will take note of his representations and make inquiries". I wonder if the hon. member can tell us what kind of answer he gets to those inquiries?

Mr. Smith: Madam Speaker, I will take further note. I am still awaiting the response of my earlier inquiry.

Mr. McKenzie: Madam Speaker, I asked the parliamentary secretary last week to check into question No. 1,795 which I placed on the Order Paper over a year ago. It is a fairly routine matter. It asks: "Are private organizations receiving federal grants for research and development?" I wish the hon. member had given me some kind of an answer about what the department said. Are they providing grants for research or are they not providing grants for research?

Mr. Smith: Madam Speaker, again I will look into this matter and take note of the hon. member's representation.

Mr. Blackburn: Madam Speaker, I, too, would like to ask the parliamentary secretary a question concerning question No. 2,250 which is in my name and goes back to March 13, 1981. This is the second time I have had to ask the parliamentary secretary why this question has not been answered. It may be a little sensitive for the Solicitor General, but I would like to remind the hon. member that the Solicitor General said he would give top priority to launching an investigation in this country to see if any former Nazi war criminals are in this country and what measures he would be prepared to take to bring them to prosecution and trial. I have now been waiting over eight months for a reply. I would respectfully ask the parliamentary secretary to get in touch with the Solicitor General so that this question can be answered and answered openly.

Mr. Smith: Madam Speaker, I assure the hon. member that I will pass on that representation to the minister.

Mr. Crosby: Madam Speaker, on July 11, I placed a question on the Order Paper concerning one C. Arnold Patterson and his employment in the office of the Prime Minister. to date I have received no reply, although subsequent questions that I placed on the Order Paper have been answered. Madam Speaker, the matter has come to the fore because that same Mr. Patterson is now appearing before the CRTC seeking an application for a television licence for the City of Halifax. Part of the relevance of the question that has now come to the forefront about this same C. Arnold Patterson is that he may

have been guilty of a breach of conflict of interest provisions pertaining to employment in the Prime Minister's Office because of his involvement at that time in the broadcasting business.

I think it is very important that this question be answered. It is a simple question and dates back in time to March of 1979 when similar questions were not answered. It seeks only factual information. It can be answered very briefly and very quickly. I wonder why the government does not see fit to answer this vital question.

Mr. Smith: I will look into this matter and make a representation to the minister.

Madam Speaker: Shall the remaining question be allowed to stand?

Some hon. Members: Agreed.

* * *

BUSINESS OF THE HOUSE

Mr. Nielsen: Madam Speaker, I understand that the hon. member for Cowichan-Malahat-The Islands will be moving the subamendment referred to a moment ago by the hon. member for Hamilton Mountain. The hon. member said that the matter would take about 15 minutes.

If there is general agreement that immediately following the vote or votes I would be recognized as the first speaker on the resumption of the debate of the main resolution, we are prepared to agree to the motion being made and spoken to by the mover, that we have the right of response by one of our members, and then naturally the government would have the right of response through the minister, whom I assume would respond to it. Then the votes would both be taken on the proposed subamendment and upon the amendment of the Minister of Indian Affairs and Northern Development.

Subject to those stipulations, we would be prepared to accept the proposal of the hon. member for Hamilton Mountain.

Mr. Pinard: Do you agree to that?

Mr. Deans: Madam Speaker, we have absolutely no objection to the situation as described by the House leader for the official opposition. We will be happy to have our amendment put as quickly as the Chair calls the order, and we can dispose of it as quickly as hon. members will allow the disposition to take place.

[*Translation*]

Mr. Pinard: Madam Speaker, now that my friends are agreed, I certainly do not want to break up this happy alliance, and we shall support the proposal made by the member for Yukon (Mr. Nielsen). I do hope, however, that when the hon. member speaks after the vote on the amendement, we can then expect to have speeches of not more than twenty minutes, and that if the member for Yukon moves an amendment, it will comply with the accord between the provinces and the federal government. I am not making this a formal condition, but it would show whether the Progressive Conservative Party is serious in its desire to expedite the debate so that we can complete it this week, or whether he is just trying to play for time.

[*English*]

Mr. Nielsen: No, Madam Speaker, I hope that that was not a condition. The amendment that I would be proposing, when recognized immediately following the vote on both the subamendment and the amendment of the Minister of Indian Affairs and Northern Development, would be calling for the deletion of Clause 41, subclause (1), paragraphs (e) and (f) of the resolution having reference to the extension of provincial boundaries northward and subjecting the creation of new provinces to the amending formula. That is the nature of our amendment.

What I have to say on behalf of this 40 per cent of Canada and these two territories would go beyond 20 minutes. I fully intend to use the 40 minutes to speak on behalf of those northern Canadians who have not yet been heard at all in this process.

Mr. Pinard: Madam Speaker, it has become obvious that the amendment that the hon. member intends to move will not reflect the accord. It has also become obvious that the hon. member does not agree to 20 minutes speeches. This is a clear indication that the Tory party does not intend to have this debate end in a reasonable length of time. Nevertheless, we are willing to vote on the subamendment and on the amendment, as suggested by the hon. member for the Yukon.

• (1520)

Mr. Epp: Madam Speaker, I should like to respond briefly to the comments of the Hon. President of the Privy Council and allay one fear which I read into them, and that is that the proposed amendment of the hon. member for Yukon would break the accord.

Mr. Pinard: Right.

Mr. Epp: I want to indicate to him that while he may have that fear—and I will not try to dissuade him otherwise—there has been work done regarding Section 41.

Mr. Nielsen: We have been working.

Mr. Epp: I do not want to leave him with the impression that all the "t"s have been crossed and all the "i"s have been dotted. That work is still continuing. I would ask him not only for patience but also for the good will which we are, frankly, trying to show to see if we cannot resolve this issue in the Parliament of Canada.

Mr. Nielsen: In the same way as it was done for women's rights and native rights.

Mr. Epp: Therefore, it would allow the people north of 60 the same good will and the same feeling toward a new Consti-

tution for Canada as we hope all Canadians will have when this matter is completed.

Some hon. Members: Hear, hear!

[*Translation*]

Mr. Pinard: Madam Speaker, I do not question the good faith of the member for Provencher (Mr. Epp), but there have been incidents since this debate, which was supposed to last two days according to the previous agreement, was resumed. So many incidents, in fact, that we have the impression the Progressive Conservative Party is not interested in having this debate come to an end within a reasonable period of time.

[*English*]

Mr. Nielsen: Madam Speaker, that is the first note of rancour which I have heard injected into the debate since it started a few short days ago.

Mr. McDermid: It is very unfair.

Mr. Nielsen: I do not think the government House leader is justified in making a charge such as that, since we voted on one of the amendments yesterday, we will be voting on a new subamendment of which we had no knowledge until it was announced today, and we will be voting on the main amendment to the resolution of the Minister of Indian Affairs and Northern Development. All of the offers to vote, both yesterday and today, have come from this party.

Mr. Pinard: Madam Speaker, there could be 100 amendments and 100 subamendments. We on this side have always wanted, when dealing with amendments and subamendments, to respect the accord. I am saying that all attempts to move amendments and subamendments which go against the accord are a clear indication that there is not the will to conclude the debate in a reasonable length of time.

Mr. Nielsen: Nonsense!

Mr. Pinard: We will have a better idea at the end of the day.

Mr. Deans: Madam Speaker, I want to assure both the House leader of the government and the House leader of the official opposition that we would be quite prepared to sit down to work out any necessary arrangement to allow all outstanding amendments to be dealt with and for the final vote on the constitutional package to take place very quickly. I am available; I will be here all day today, tomorrow, Saturday and Sunday. If they need any help, they can give me a call.

Some hon. Members: Hear, hear!

[*Translation*]

Mr. Pinard: Madam Speaker, now that is the kind of good faith and good will we expect from the Progressive Conservative Party. If the House leader of the Progressive Conservative Party could show the same flexibility and the same good faith, I would have to take back what I said earlier. But if he does not, we shall draw our own conclusions.

[*English*]

Mr. Nielsen: I really do not know what the Grit House leader has in mind when he says that.

Mr. Cousineau: What is in your mind?

Mr. Nielsen: I am on the record of yesterday as making two attempts to get the vote taken, the second of which was finally accepted. I am on the record of today as making an offer to vote on the main motion. That offer was not accepted. As I said, we were prepared to get it out of the way right after question period. What is causing the hold-up? It is another subamendment from those hon. fellows on my left. Who is acting in good faith here, when the suggestions are coming from this party?

The hon. minister knows, without being told by me now, that I am available at any time. Indeed, I have made some suggestions to him which he well knows on the score of arranging debate and voting on the amendment. I did that long ago.

Mr. Waddell: This sounds like kindergarten.

Mr. Nielsen: If the hon. member will just stop his yapping and listen a minute, he might learn something. We are still available to conduct any meaningful negotiations in the spirit in which negotiations are normally carried on in House leaders' meetings, where discussions are kept confidential. I am sure we can work out an arrangement for handling the remainder of the debate. It is up to the government House leader to call House leaders' meetings. He knows that I am here every day and throughout the weekend as well.

Mr. Pinard: We have agreed to keep confidential what is discussed in House leaders' meetings.

Mr. Epp: Well done.

Mr. Pinard: What is not said cannot be kept confidential. The hon. member said that he made proposals to organize debate on the main resolution. I do not think I am betraying the secrecy of our meeting by saying that that is not my understanding. On the contrary; his contribution has been clearly established and defined by my hon. colleague of the NDP yesterday and today in the House.

Mr. Nielsen: Your bedmate.

Mr. Pinard: If he is now considering discussing seriously the conclusion of the debate, not on subamendments or amendments but on the main resolution, in a reasonable length of time, it is good news for me. I am willing to discuss that with him right now.

Some hon. Members: Hear, hear!

Mr. Nielsen: Any time, any time.

Mr. Epp: Anywhere, any place.

Mr. Nielsen: Anywhere, any place, 24 hours a day.

Some hon. Members: Hear, hear!

Mr. Nielsen: I should just like to say to those two cosy partners that I will not interfere with them.

Some hon. Members: Oh, oh!

Mr. Nielsen: Often I feel that three is a crowd, but in this situation I do not at all. I point out that both subamendments on the motion have been from the little red rump, not from here.

Mr. Deans: Madam Speaker, I should just like to make one point about the cosy arrangement. I was not party to the discussions today between the House leader of the official opposition and the House leader of the government when they arranged what was put on the floor of the House by them.

Some hon. Members: Oh, oh!

[*Translation*]

Mr. Pinard: Madam Speaker, the member for Hamilton Mountain (Mr. Deans) is absolutely right. However, I did inform him of my conversation with the House Leader of the Progressive Conservative Party.

[*English*]

In answer to the offer of the hon. member for Yukon, I am willing to meet him right now in my office.

Some hon. Members: Hear, hear!

GOVERNMENT ORDERS

[*Translation*]

THE CONSTITUTION

RESOLUTION RESPECTING CONSTITUTION ACT, 1981

The House resumed, from Wednesday, November 25, consideration of the amended motion of Mr. Chrétien:

THAT, WHEREAS in the past certain amendments to the Constitution of Canada have been made by the Parliament of the United Kingdom at the request and with the consent of Canada;

AND WHEREAS it is in accord with the status of Canada as an independent state that Canadians be able to amend their Constitution in Canada in all respects;

AND WHEREAS it is also desirable to provide in the Constitution of Canada for the recognition of certain fundamental rights and freedoms and to make other amendments to that Constitution;

A respectful address be presented to Her Majesty the Queen in the following words:

To the Queen's Most Excellent Majesty:
Most Gracious Sovereign:

We, Your Majesty's loyal subjects, the House of Commons of Canada in Parliament assembled, respectfully approach Your Majesty, requesting that you may graciously be pleased to cause to be laid before the Parliament of the United Kingdom a measure containing the recitals and clauses hereinafter set forth:

CONSIDÉRANT :
que le Parlement du Royaume-Uni a modifié à plusieurs reprises la Constitution du Canada à la demande et avec le consentement de celui-ci;

que, de par le statut d'État indépendant du Canada, il est légitime que les Canadiens aient tout pouvoir pour modifier leur Constitution au Canada;

qu'il est souhaitable d'inscrire dans la Constitution du Canada la reconnaissance de certains droits et libertés fondamentaux et d'y apporter d'autres modifications,

il est proposé que soit présentée respectueusement à Sa Majesté la Reine l'adresse dont la teneur suit :

A Sa Très Excellente Majesté la Reine,
Très Gracieuse Souveraine :

Nous, membres de la Chambre des communes du Canada réunis en Parlement, fidèles sujets de Votre Majesté, demandons respectueusement à Votre Très Gracieuse Majesté de bien vouloir faire déposer devant le Parlement du Royaume-Uni un projet de loi ainsi conçu :

ANNEXE A—SCHEDULE A

An Act to give effect to a request by the Senate and House of Commons of Canada

Loi donnant suite à une demande du Sénat et de la Chambre des communes du Canada

Whereas Canada has requested and consented to the enactment of an Act of the Parliament of the United Kingdom to give effect to the provisions hereinafter set forth and the Senate and the House of Commons of Canada in Parliament assembled have submitted an address to Her Majesty requesting that Her Majesty may graciously be pleased to cause a Bill to be laid before the Parliament of the United Kingdom for that purpose.

Sa Très Excellente Majesté la Reine, considérant :

qu'à la demande et avec le consentement du Canada, le Parlement du Royaume-Uni est invité à adopter une loi visant à donner effet aux dispositions énoncées ci-après et que le Sénat et la Chambre des communes du Canada réunis en Parlement ont présenté une adresse demandant à Sa Très Gracieuse Majesté de bien vouloir faire déposer devant le Parlement du Royaume-Uni un projet de loi à cette fin,

Be it therefore enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:

sur l'avis et du consentement des Lords spirituels et temporels et des Communes réunis en Parlement, et par l'autorité de celui-ci, édicte :

Constitution Act, 1981 enacted

1. The *Constitution Act, 1981* set out in Schedule B to this Act is hereby enacted for and shall have the force of law in Canada and shall come into force as provided in that Act.

Adoption de la *Loi constitutionnelle de 1981*

1. La *Loi constitutionnelle de 1981*, énoncée à l'annexe B, est édictée pour le Canada et y a force de loi. Elle entre en vigueur conformément à ses dispositions.

Termination of power to legislate for Canada

2. No Act of the Parliament of the United Kingdom passed after the *Constitution Act, 1981* comes into force shall extend to Canada as part of its law.

Cessation du pouvoir de légiférer pour le Canada

2. Les lois adoptées par le Parlement du Royaume-Uni après l'entrée en vigueur de la *Loi constitutionnelle de 1981* ne font pas partie du droit du Canada.

French version

3. So far as it is not contained in Schedule B, the French version of this Act is set out in Schedule A to this Act and has the same authority in Canada as the English version thereof.

Version française

3. La partie de la version française de la présente loi qui figure à l'annexe A a force de loi au Canada au même titre que la version anglaise correspondante.

Short title

4. This Act may be cited as the *Canada Act*.

Titre abrégé

4. Titre abrégé de la présente loi : *Loi sur le Canada*.

SCHEDULE B

CONSTITUTION ACT, 1981

PART I

CANADIAN CHARTER OF RIGHTS AND FREEDOMS

Whereas Canada is founded upon principles that recognize the supremacy of God and the rule of law:

Guarantee of Rights and Freedoms

Rights and freedoms in Canada

1. The *Canadian Charter of Rights and Freedoms* guarantees the rights and freedoms set out in it subject only to such reasonable limits prescribed by law as can be demonstrably justified in a free and democratic society.

Fundamental Freedoms

Fundamental freedoms

2. Everyone has the following fundamental freedoms:

(*a*) freedom of conscience and religion;

(*b*) freedom of thought, belief, opinion and expression, including freedom of the press and other media of communication;

(*c*) freedom of peaceful assembly; and

(*d*) freedom of association.

Democratic Rights

Democratic rights of citizens

3. Every citizen of Canada has the right to vote in an election of members of the House of Commons or of a legislative assembly and to be qualified for membership therein.

Maximum duration of legislative bodies

4. (1) No House of Commons and no legislative assembly shall continue for longer than five years from the date fixed for the return of the writs at a general election of its members.

Continuation in special circumstances

(2) In time of real or apprehended war, invasion or insurrection, a House of Commons may be continued by Parliament and a legislative assembly may be continued by the legislature beyond five years if such continuation is not opposed by the votes of more than one-third of the members of the House

ANNEXE B

LOI CONSTITUTIONNELLE DE 1981

PARTIE I

CHARTE CANADIENNE DES DROITS ET LIBERTÉS

Attendu que le Canada est fondé sur des principes qui reconnaissent la suprématie de Dieu et la primauté du droit :

Garantie des droits et libertés

Droits et libertés au Canada

1. La *Charte canadienne des droits et libertés* garantit les droits et libertés qui y sont énoncés. Ils ne peuvent être restreints que par une règle de droit, dans des limites qui soient raisonnables et dont la justification puisse se démontrer dans le cadre d'une société libre et démocratique.

Libertés fondamentales

Libertés fondamentales

2. Chacun a les libertés fondamentales suivantes :

a) liberté de conscience et de religion;

b) liberté de pensée, de croyance, d'opinion et d'expression, y compris la liberté de la presse et des autres moyens de communication;

c) liberté de réunion pacifique;

d) liberté d'association.

Droits démocratiques

Droits démocratiques des citoyens

3. Tout citoyen canadien a le droit de vote et est éligible aux élections législatives fédérales ou provinciales.

Mandat maximal des assemblées

4. (1) Le mandat maximal de la Chambre des communes et des assemblées législatives est de cinq ans à compter de la date fixée pour le retour des brefs relatifs aux élections générales correspondantes.

Prolongations spéciales

(2) Le mandat de la Chambre des communes ou celui d'une assemblée législative peut être prolongé respectivement par le Parlement ou par la législature en question au-delà de cinq ans en cas de guerre, d'invasion ou d'insurrection, réelles ou appréhendées, pourvu que cette prolongation ne fasse pas

of Commons or the legislative assembly, as the case may be.

l'objet d'une opposition exprimée par les voix de plus du tiers des députés de la Chambre des communes ou de l'assemblée législative.

Annual sitting of legislative bodies

5. There shall be a sitting of Parliament and of each legislature at least once every twelve months.

Séance annuelle

5. Le Parlement et les législatures tiennent une séance au moins une fois tous les douze mois.

Mobility Rights

Liberté de circulation et d'établissement

Mobility of citizens

6. (1) Every citizen of Canada has the right to enter, remain in and leave Canada.

Liberté de circulation

6. (1) Tout citoyen canadien a le droit de demeurer au Canada, d'y entrer ou d'en sortir.

Rights to move and gain livelihood

(2) Every citizen of Canada and every person who has the status of a permanent resident of Canada has the right

(*a*) to move to and take up residence in any province; and

(*b*) to pursue the gaining of a livelihood in any province.

Liberté d'établissement

(2) Tout citoyen canadien et toute personne ayant le statut de résident permanent au Canada ont le droit :

a) de se déplacer dans tout le pays et d'établir leur résidence dans toute province;

b) de gagner leur vie dans toute province.

Limitation

(3) The rights specified in subsection (2) are subject to

(*a*) any laws or practices of general application in force in a province other than those that discriminate among persons primarily on the basis of province of present or previous residence; and

(*b*) any laws providing for reasonable residency requirements as a qualification for the receipt of publicly provided social services.

Restriction

(3) Les droits mentionnés au paragraphe (2) sont subordonnés :

a) aux lois et usages d'application générale en vigueur dans une province donnée, s'ils n'établissent entre les personnes aucune distinction fondée principalement sur la province de résidence antérieure ou actuelle;

b) aux lois prévoyant de justes conditions de résidence en vue de l'obtention des services sociaux publics.

Affirmative action programs

(4) Subsections (2) and (3) do not preclude any law, program or activity that has as its object the amelioration in a province of conditions of individuals in that province who are socially or economically disadvantaged if the rate of employment in that province is below the rate of employment in Canada.

Programmes de promotion sociale

(4) Les paragraphes (2) et (3) n'ont pas pour objet d'interdire les lois, programmes ou activités destinés à améliorer, dans une province, la situation d'individus défavorisés socialement ou économiquement, si le taux d'emploi dans la province est inférieur à la moyenne nationale.

Legal Rights

Garanties juridiques

Life, liberty and security of person

7. Everyone has the right to life, liberty and security of the person and the right not to be deprived thereof except in accordance with the principles of fundamental justice.

Vie, liberté et sécurité

7. Chacun a droit à la vie, à la liberté et à la sécurité de sa personne; il ne peut être porté atteinte à ce droit qu'en conformité avec les principes de justice fondamentale.

Search or seizure

8. Everyone has the right to be secure against unreasonable search or seizure.

Fouilles, perquisitions ou saisies

8. Chacun a droit à la protection contre les fouilles, les perquisitions ou les saisies abusives.

Detention or imprisonment

9. Everyone has the right not to be arbitrarily detained or imprisoned.

Détention ou emprisonnement

9. Chacun a droit à la protection contre la détention ou l'emprisonnement arbitraires.

The Constitution

Arrest or detention

10. Everyone has the right on arrest or detention

(*a*) to be informed promptly of the reasons therefor;

(*b*) to retain and instruct counsel without delay and to be informed of that right; and

(*c*) to have the validity of the detention determined by way of *habeas corpus* and to be released if the detention is not lawful.

Proceedings in criminal and penal matters

11. Any person charged with an offence has the right

(*a*) to be informed without unreasonable delay of the specific offence;

(*b*) to be tried within a reasonable time;

(*c*) not to be compelled to be a witness in proceedings against that person in respect of the offence;

(*d*) to be presumed innocent until proven guilty according to law in a fair and public hearing by an independent and impartial tribunal;

(*e*) not to be denied reasonable bail without just cause;

(*f*) except in the case of an offence under military law tried before a military tribunal, to the benefit of trial by jury where the maximum punishment for the offence is imprisonment for five years or a more severe punishment;

(*g*) not to be found guilty on account of any act or omission unless, at the time of the act or omission, it constituted an offence under Canadian or international law or was criminal according to the general principles of law recognized by the community of nations;

(*h*) if finally acquitted of the offence, not to be tried for it again and, if finally found guilty and punished for the offence, not to be tried or punished for it again; and

(*i*) if found guilty of the offence and if the punishment for the offence has been varied between the time of commission and the time of sentencing, to the benefit of the lesser punishment.

Arrestation ou détention

10. Chacun a le droit, en cas d'arrestation ou de détention :

a) d'être informé dans les plus brefs délais des motifs de son arrestation ou de sa détention;

b) d'avoir recours sans délai à l'assistance d'un avocat et d'être informé de ce droit;

c) de faire contrôler, par *habeas corpus,* la légalité de sa détention et d'obtenir, le cas échéant, sa libération.

Affaires criminelles et pénales

11. Tout inculpé a le droit :

a) d'être informé sans délai anormal de l'infraction précise qu'on lui reproche;

b) d'être jugé dans un délai raisonnable;

c) de ne pas être contraint de témoigner contre lui-même dans toute poursuite intentée contre lui pour l'infraction qu'on lui reproche;

d) d'être présumé innocent tant qu'il n'est pas déclaré coupable, conformément à la loi, par un tribunal indépendant et impartial à l'issue d'un procès public et équitable;

e) de ne pas être privé sans juste cause d'une mise en liberté assortie d'un cautionnement raisonnable;

f) sauf s'il s'agit d'une infraction relevant de la justice militaire, de bénéficier d'un procès avec jury lorsque la peine maximale prévue pour l'infraction dont il est accusé est un emprisonnement de cinq ans ou une peine plus grave;

g) de ne pas être déclaré coupable en raison d'une action ou d'une omission qui, au moment où elle est survenue, ne constituait pas une infraction d'après le droit interne du Canada ou le droit international et n'avait pas de caractère criminel d'après les principes généraux de droit reconnus par l'ensemble des nations;

h) d'une part de ne pas être jugé de nouveau pour une infraction dont il a été définitivement acquitté, d'autre part de ne pas être jugé ni puni de nouveau pour une infraction dont il a été définitivement déclaré coupable et puni;

i) de bénéficier de la peine la moins sévère, lorsque la peine qui sanctionne l'infraction dont il est déclaré coupable est

modifiée entre le moment de la perpétration de l'infraction et celui de la sentence.

Treatment or punishment

12. Everyone has the right not to be subjected to any cruel and unusual treatment or punishment.

12. Chacun a droit à la protection contre tous traitements ou peines cruels et inusités.

Cruauté

Self-crimination

13. A witness who testifies in any proceedings has the right not to have any incriminating evidence so given used to incriminate that witness in any other proceedings, except in a prosecution for perjury or for the giving of contradictory evidence.

13. Chacun a droit à ce qu'aucun témoignage incriminant qu'il donne ne soit utilisé pour l'incriminer dans d'autres procédures, sauf lors de poursuites pour parjure ou pour témoignages contradictoires.

Témoignage incriminant

Interpreter

14. A party or witness in any proceedings who does not understand or speak the language in which the proceedings are conducted or who is deaf has the right to the assistance of an interpreter.

14. La partie ou le témoin qui ne peuvent suivre les procédures, soit parce qu'ils ne comprennent pas ou ne parlent pas la langue employée, soit parce qu'ils sont atteints de surdité, ont droit à l'assistance d'un interprète.

Interprète

Equality Rights

Droits à l'égalité

Equality before and under law and equal protection and benefit of law

15. (1) Every individual is equal before and under the law and has the right to the equal protection and equal benefit of the law without discrimination and, in particular, without discrimination based on race, national or ethnic origin, colour, religion, sex, age or mental or physical disability.

15. (1) La loi ne fait acception de personne et s'applique également à tous, et tous ont droit à la même protection et au même bénéfice de la loi, indépendamment de toute discrimination, notamment des discriminations fondées sur la race, l'origine nationale ou ethnique, la couleur, la religion, le sexe, l'âge ou les déficiences mentales ou physiques.

Égalité devant la loi, égalité de bénéfice et protection égale de la loi

Affirmative action programs

(2) Subsection (1) does not preclude any law, program or activity that has as its object the amelioration of conditions of disadvantaged individuals or groups including those that are disadvantaged because of race, national or ethnic origin, colour, religion, sex, age or mental or physical disability.

(2) Le paragraphe (1) n'a pas pour effet d'interdire les lois, programmes ou activités destinés à améliorer la situation d'individus ou de groupes défavorisés, notamment du fait de leur race, de leur origine nationale ou ethnique, de leur couleur, de leur religion, de leur sexe, de leur âge ou de leurs déficiences mentales ou physiques.

Programmes de promotion sociale

Official Languages of Canada

Langues officielles du Canada

Official languages of Canada

16. (1) English and French are the official languages of Canada and have equality of status and equal rights and privileges as to their use in all institutions of the Parliament and government of Canada.

16. (1) Le français et l'anglais sont les langues officielles du Canada; ils ont un statut et des droits et privilèges égaux quant à leur usage dans les institutions du Parlement et du gouvernement du Canada.

Langues officielles du Canada

Official languages of New Brunswick

(2) English and French are the official languages of New Brunswick and have equality of status and equal rights and privileges as to their use in all institutions of the

(2) Le français et l'anglais sont les langues officielles du Nouveau-Brunswick; ils ont un statut et des droits et privilèges égaux quant à leur usage dans les institutions de la Légis-

Langues officielles du Nouveau-Brunswick

legislature and government of New Brunswick.

lature et du gouvernement du Nouveau-Brunswick.

Advancement of status and use

(3) Nothing in this Charter limits the authority of Parliament or a legislature to advance the equality of status or use of English and French.

(3) La présente charte ne limite pas le pouvoir du Parlement et des législatures de favoriser la progression vers l'égalité de statut ou d'usage du français et de l'anglais.

Progression vers l'égalité

Proceedings of Parliament

17. (1) Everyone has the right to use English or French in any debates and other proceedings of Parliament.

17. (1) Chacun a le droit d'employer le français ou l'anglais dans les débats et travaux du Parlement.

Travaux du Parlement

Proceedings of New Brunswick legislature

(2) Everyone has the right to use English or French in any debates and other proceedings of the legislature of New Brunswick.

(2) Chacun a le droit d'employer le français ou l'anglais dans les débats et travaux de la Législature du Nouveau-Brunswick.

Travaux de la Législature du Nouveau-Brunswick

Parliamentary statutes and records

18. (1) The statutes, records and journals of Parliament shall be printed and published in English and French and both language versions are equally authoritative.

18. (1) Les lois, les archives, les comptes rendus et les procès-verbaux du Parlement sont imprimés et publiés en français et en anglais, les deux versions des lois ayant également force de loi et celles des autres documents ayant même valeur.

Documents parlementaires

New Brunswick statutes and records

(2) The statutes, records and journals of the legislature of New Brunswick shall be printed and published in English and French and both language versions are equally authoritative.

(2) Les lois, les archives, les comptes rendus et les procès-verbaux de la Législature du Nouveau-Brunswick sont imprimés et publiés en français et en anglais, les deux versions des lois ayant également force de loi et celles des autres documents ayant même valeur.

Documents de la Législature du Nouveau-Brunswick

Proceedings in courts established by Parliament

19. (1) Either English or French may be used by any person in, or in any pleading in or process issuing from, any court established by Parliament.

19. (1) Chacun a le droit d'employer le français ou l'anglais dans toutes les affaires dont sont saisis les tribunaux établis par le Parlement et dans tous les actes de procédure qui en découlent.

Procédures devant les tribunaux établis par le Parlement

Proceedings in New Brunswick courts

(2) Either English or French may be used by any person in, or in any pleading in or process issuing from, any court of New Brunswick.

(2) Chacun a le droit d'employer le français ou l'anglais dans toutes les affaires dont sont saisis les tribunaux du Nouveau-Brunswick et dans tous les actes de procédure qui en découlent.

Procédures devant les tribunaux du Nouveau-Brunswick

Communications by public with federal institutions

20. (1) Any member of the public in Canada has the right to communicate with, and to receive available services from, any head or central office of an institution of the Parliament or government of Canada in English or French, and has the same right with respect to any other office of any such institution where

(*a*) there is a significant demand for communications with and services from that office in such language; or

20. (1) Le public a, au Canada, droit à l'emploi du français ou de l'anglais pour communiquer avec le siège ou l'administration centrale des institutions du Parlement ou du gouvernement du Canada ou pour en recevoir les services; il a le même droit à l'égard de tout autre bureau de ces institutions là où, selon le cas :

a) l'emploi du français ou de l'anglais fait l'objet d'une demande importante;

b) l'emploi du français et de l'anglais se justifie par la vocation du bureau.

Communications entre les administrés et les institutions fédérales

(*b*) due to the nature of the office, it is reasonable that communications with and services from that office be available in both English and French.

Communications by public with New Brunswick institutions

(2) Any member of the public in New Brunswick has the right to communicate with, and to receive available services from, any office of an institution of the legislature or government of New Brunswick in English or French.

(2) Le public a, au Nouveau-Brunswick, droit à l'emploi du français ou de l'anglais pour communiquer avec tout bureau des institutions de la législature ou du gouvernement ou pour en recevoir les services.

Communications entre les administrés et les institutions du Nouveau-Brunswick

Continuation of existing constitutional provisions

21. Nothing in sections 16 to 20 abrogates or derogates from any right, privilege or obligation with respect to the English and French languages, or either of them, that exists or is continued by virtue of any other provision of the Constitution of Canada.

21. Les articles 16 à 20 n'ont pas pour effet, en ce qui a trait à la langue française ou anglaise ou à ces deux langues, de porter atteinte aux droits, privilèges ou obligations qui existent ou sont maintenus aux termes d'une autre disposition de la Constitution du Canada.

Maintien en vigueur de certaines dispositions

Rights and privileges preserved

22. Nothing in sections 16 to 20 abrogates or derogates from any legal or customary right or privilege acquired or enjoyed either before or after the coming into force of this Charter with respect to any language that is not English or French.

22. Les articles 16 à 20 n'ont pas pour effet de porter atteinte aux droits et privilèges, antérieurs ou postérieurs à l'entrée en vigueur de la présente charte et découlant de la loi ou de la coutume, des langues autres que le français ou l'anglais.

Droits préservés

Minority Language Educational Rights

Droits à l'instruction dans la langue de la minorité

Language of instruction

23. (1) Citizens of Canada

(*a*) whose first language learned and still understood is that of the English or French linguistic minority population of the province in which they reside, or

(*b*) who have received their primary school instruction in Canada in English or French and reside in a province where the language in which they received that instruction is the language of the English or French linguistic minority population of the province,

have the right to have their children receive primary and secondary school instruction in that language in that province.

23. (1) Les citoyens canadiens :

a) dont la première langue apprise et encore comprise est celle de la minorité francophone ou anglophone de la province où ils résident,

b) qui ont reçu leur instruction, au niveau primaire, en français ou en anglais au Canada et qui résident dans une province où la langue dans laquelle ils ont reçu cette instruction est celle de la minorité francophone ou anglophone de la province,

ont, dans l'un ou l'autre cas, le droit d'y faire instruire leurs enfants, aux niveaux primaire et secondaire, dans cette langue.

Langue d'instruction

Continuity of language instruction

(2) Citizens of Canada of whom any child has received or is receiving primary or secondary school instruction in English or French in Canada, have the right to have all their children receive primary and secondary school instruction in the same language.

(2) Les citoyens canadiens dont un enfant a reçu ou reçoit son instruction, au niveau primaire ou secondaire, en français ou en anglais au Canada ont le droit de faire instruire tous leurs enfants, aux niveaux primaire et secondaire, dans la langue de cette instruction.

Continuité d'emploi de la langue d'instruction

Application where numbers warrant

(3) The right of citizens of Canada under subsections (1) and (2) to have their children receive primary and secondary school instruction in the language of the English or French linguistic minority population of a province

(*a*) applies wherever in the province the number of children of citizens who have such a right is sufficient to warrant the provision to them out of public funds of minority language instruction; and

(*b*) includes, where the number of those children so warrants, the right to have them receive that instruction in minority language educational facilities provided out of public funds.

Justification par le nombre

(3) Le droit reconnu aux citoyens canadiens par les paragraphes (1) et (2) de faire instruire leurs enfants, aux niveaux primaire et secondaire, dans la langue de la minorité francophone ou anglophone d'une province :

a) s'exerce partout dans la province où le nombre des enfants des citoyens qui ont ce droit est suffisant pour justifier à leur endroit la prestation, sur les fonds publics, de l'instruction dans la langue de la minorité;

b) comprend, lorsque le nombre de ces enfants le justifie, le droit de les faire instruire dans des établissements d'enseignement de la minorité linguistique financés sur les fonds publics.

Enforcement

Enforcement of guaranteed rights and freedoms

24. (1) Anyone whose rights or freedoms, as guaranteed by this Charter, have been infringed or denied may apply to a court of competent jurisdiction to obtain such remedy as the court considers appropriate and just in the circumstances.

Exclusion of evidence bringing administration of justice into disrepute

(2) Where, in proceedings under subsection (1), a court concludes that evidence was obtained in a manner that infringed or denied any rights or freedoms guaranteed by this Charter, the evidence shall be excluded if it is established that, having regard to all the circumstances, the admission of it in the proceedings would bring the administration of justice into disrepute.

Recours

Recours en cas d'atteinte aux droits et libertés

24. (1) Toute personne, victime de violation ou de négation des droits ou libertés qui lui sont garantis par la présente charte, peut s'adresser à un tribunal compétent pour obtenir la réparation que le tribunal estime convenable et juste eu égard aux circonstances.

Irrecevabilité d'éléments de preuve qui risqueraient de déconsidérer l'administration de la justice

(2) Lorsque, dans une instance visée au paragraphe (1), le tribunal a conclu que des éléments de preuve ont été obtenus dans des conditions qui portent atteinte aux droits ou libertés garantis par la présente charte, ces éléments de preuve sont écartés s'il est établi, eu égard aux circonstances, que leur utilisation est susceptible de déconsidérer l'administration de la justice.

General

Aboriginal rights and freedoms not affected by Charter

25. The guarantee in this Charter of certain rights and freedoms shall not be construed so as to abrogate or derogate from any aboriginal, treaty or other rights or freedoms that pertain to the aboriginal peoples of Canada including

(*a*) any rights or freedoms that have been recognized by the Royal Proclamation of October 7, 1763; and

(*b*) any rights or freedoms that may be acquired by the aboriginal peoples of Canada by way of land claims settlement.

Dispositions générales

Maintien des droits et libertés des autochtones

25. Le fait que la présente charte garantit certains droits et libertés ne porte pas atteinte aux droits ou libertés — ancestraux, issus de traités ou autres — des peuples autochtones du Canada, notamment :

a) aux droits ou libertés reconnus par la Proclamation royale du 7 octobre 1763;

b) aux droits ou libertés acquis par règlement de revendications territoriales.

Other rights and freedoms not affected by Charter

26. The guarantee in this Charter of certain rights and freedoms shall not be con-

Maintien des autres droits et libertés

26. Le fait que la présente charte garantit certains droits et libertés ne constitue pas

strued as denying the existence of any other rights or freedoms that exist in Canada.

une négation des autres droits ou libertés qui existent au Canada.

Multicultural heritage

27. This Charter shall be interpreted in a manner consistent with the preservation and enhancement of the multicultural heritage of Canadians.

27. Toute interprétation de la présente charte doit concorder avec l'objectif de promouvoir le maintien et la valorisation du patrimoine multiculturel des Canadiens.

Maintien du patrimoine culturel

Rights guaranteed equally to both sexes

28. Notwithstanding anything in this Charter, the rights and freedoms referred to in it are guaranteed equally to male and female persons.

28. Indépendamment des autres dispositions de la présente charte, les droits et libertés qui y sont mentionnés sont garantis également aux personnes des deux sexes.

Égalité de garantie des droits pour les deux sexes

Rights respecting certain schools preserved

29. Nothing in this Charter abrogates or derogates from any rights or privileges guaranteed by or under the Constitution of Canada in respect of denominational, separate or dissentient schools.

29. Les dispositions de la présente charte ne portent pas atteinte aux droits ou privilèges garantis en vertu de la Constitution du Canada concernant les écoles séparées et autres écoles confessionnelles.

Maintien des droits relatifs à certaines écoles

Application to territories and territorial authorities

30. A reference in this Charter to a province or to the legislative assembly or legislature of a province shall be deemed to include a reference to the Yukon Territory and the Northwest Territories, or to the appropriate legislative authority thereof, as the case may be.

30. Dans la présente charte, les dispositions qui visent les provinces, leur législature ou leur assemblée législative visent également le territoire du Yukon, les territoires du Nord-Ouest ou leurs autorités législatives compétentes.

Application aux territoires

Legislative powers not extended

31. Nothing in this Charter extends the legislative powers of any body or authority.

31. La présente charte n'élargit pas les compétences législatives de quelque organisme ou autorité que ce soit.

Non-élargissement des compétences législatives

Application of Charter

Application de la charte

Application of Charter

32. (1) This Charter applies

(*a*) to the Parliament and government of Canada in respect of all matters within the authority of Parliament including all matters relating to the Yukon Territory and Northwest Territories; and

(*b*) to the legislature and government of each province in respect of all matters within the authority of the legislature of each province.

32. (1) La présente charte s'applique :

a) au Parlement et au gouvernement du Canada, pour tous les domaines relevant du Parlement, y compris ceux qui concernent le territoire du Yukon et les territoires du Nord-Ouest;

b) à la législature et au gouvernement de chaque province, pour tous les domaines relevant de cette législature.

Application de la charte

Exception

(2) Notwithstanding subsection (1), section 15 shall not have effect until three years after this section comes into force.

(2) Par dérogation au paragraphe (1), l'article 15 n'a d'effet que trois ans après l'entrée en vigueur du présent article.

Restriction

Exception where express declaration

33. (1) Parliament or the legislature of a province may expressly declare in an Act of Parliament or of the legislature, as the case may be, that the Act or a provision thereof shall operate notwithstanding a provision included in section 2 or sections 7 to 15 of this Charter.

33. (1) Le Parlement ou la législature d'une province peut adopter une loi où il est expressément déclaré que celle-ci ou une de ses dispositions a effet indépendamment d'une disposition donnée de l'article 2 ou des articles 7 à 15 de la présente charte.

Dérogation par déclaration expresse

Operation of exception

(2) An Act or a provision of an Act in respect of which a declaration made under this section is in effect shall have such operation as it would have but for the provision of this Charter referred to in the declaration.

Five year limitation

(3) A declaration made under subsection (1) shall cease to have effect five years after it comes into force or on such earlier date as may be specified in the declaration.

Re-enactment

(4) Parliament or a legislature of a province may re-enact a declaration made under subsection (1).

Five year limitation

(5) Subsection (3) applies in respect of a re-enactment made under subsection (4).

Effet de la dérogation

(2) La loi ou la disposition qui fait l'objet d'une déclaration conforme au présent article et en vigueur a l'effet qu'elle aurait sauf la disposition en cause de la charte.

Durée de validité

(3) La déclaration visée au paragraphe (1) cesse d'avoir effet à la date qui y est précisée ou, au plus tard, cinq ans après son entrée en vigueur.

Nouvelle adoption

(4) Le Parlement ou une législature peut adopter de nouveau une déclaration visée au paragraphe (1).

Durée de validité

(5) Le paragraphe (3) s'applique à toute déclaration adoptée sous le régime du paragraphe (4).

Citation

Citation

34. This Part may be cited as the *Canadian Charter of Rights and Freedoms*.

Titre

Titre

34. Titre de la présente partie : *Charte canadienne des droits et libertés*.

PART II

EQUALIZATION AND REGIONAL DISPARITIES

Commitment to promote equal opportunities

35. (1) Without altering the legislative authority of Parliament or of the provincial legislatures, or the rights of any of them with respect to the exercise of their legislative authority, Parliament and the legislatures, together with the government of Canada and the provincial governments, are committed to

(*a*) promoting equal opportunities for the well-being of Canadians;

(*b*) furthering economic development to reduce disparity in opportunities; and

(*c*) providing essential public services of reasonable quality to all Canadians.

Commitment respecting public services

(2) Parliament and the government of Canada are committed to the principle of making equalization payments to ensure that provincial governments have sufficient revenues to provide reasonably comparable levels of public services at reasonably comparable levels of taxation.

PARTIE II

PÉRÉQUATION ET INÉGALITÉS RÉGIONALES

Engagements relatifs à l'égalité des chances

35. (1) Sous réserve des compétences législatives du Parlement et des législatures et de leur droit de les exercer, le Parlement et les législatures, ainsi que les gouvernements fédéral et provinciaux, s'engagent à :

a) promouvoir l'égalité des chances de tous les Canadiens dans la recherche de leur bien-être;

b) favoriser le développement économique pour réduire l'inégalité des chances;

c) fournir à tous les Canadiens, à un niveau de qualité acceptable, les services publics essentiels.

Engagement relatif aux services publics

(2) Le Parlement et le gouvernement du Canada prennent l'engagement de principe de faire des paiements de péréquation propres à donner aux gouvernements provinciaux des revenus suffisants pour les mettre en mesure d'assurer les services publics à un niveau de qualité et de fiscalité sensiblement comparables.

PART III

CONSTITUTIONAL CONFERENCE

Constitutional conference

36. (1) A constitutional conference composed of the Prime Minister of Canada and the first ministers of the provinces shall be convened by the Prime Minister of Canada within one year after this Part comes into force.

Participation of aboriginal peoples

(2) The conference convened under subsection (1) shall have included in its agenda an item respecting constitutional matters that directly affect the aboriginal peoples of Canada, including the identification and definition of the rights of those peoples to be included in the Constitution of Canada, and the Prime Minister of Canada shall invite representatives of those peoples to participate in the discussions on that item.

Participation of territories

(3) The Prime Minister of Canada shall invite elected representatives of the governments of the Yukon Territory and the Northwest Territories to participate in the discussions on any item on the agenda of the conference convened under subsection (1) that, in the opinion of the Prime Minister, directly affects the Yukon Territory and the Northwest Territories.

PARTIE III

CONFÉRENCE CONSTITUTIONNELLE

Conférence constitutionnelle

36. (1) Dans l'année suivant l'entrée en vigueur de la présente partie, le premier ministre du Canada convoque une conférence constitutionnelle réunissant les premiers ministres provinciaux et lui-même.

Participation des peuples autochtones

(2) Sont placées à l'ordre du jour de la conférence visée au paragraphe (1) les questions constitutionnelles qui intéressent directement les peuples autochtones du Canada, notamment la détermination et la définition des droits de ces peuples à inscrire dans la Constitution du Canada. Le premier ministre du Canada invite leurs représentants à participer aux travaux relatifs à ces questions.

Participation des territoires

(3) Le premier ministre du Canada invite des représentants élus des gouvernements du territoire du Yukon et des territoires du Nord-Ouest à participer aux travaux relatifs à toute question placée à l'ordre du jour de la conférence visée au paragraphe (1) et qui, selon lui, intéresse directement le territoire du Yukon et les territoires du Nord-Ouest.

PART IV

PROCEDURE FOR AMENDING CONSTITUTION OF CANADA

General procedure for amending Constitution of Canada

37. (1) An amendment to the Constitution of Canada may be made by proclamation issued by the Governor General under the Great Seal of Canada where so authorized by

(*a*) resolutions of the Senate and House of Commons; and

(*b*) resolutions of the legislative assemblies of at least two-thirds of the provinces that have, in the aggregate, according to the then latest general census, at least fifty per cent of the population of all the provinces.

Majority of members

(2) An amendment made under subsection (1) that derogates from the legislative powers, the proprietary rights or any other rights or privileges of the legislature or gov-

PARTIE IV

PROCÉDURE DE MODIFICATION DE LA CONSTITUTION DU CANADA

Procédure normale de modification

37. (1) La Constitution du Canada peut être modifiée par proclamation du gouverneur général sous le grand sceau du Canada, autorisée à la fois :

a) par des résolutions du Sénat et de la Chambre des communes;

b) par des résolutions des assemblées législatives d'au moins deux tiers des provinces dont la population confondue représente, selon le recensement général le plus récent à l'époque, au moins cinquante pour cent de la population de toutes les provinces.

Majorité simple

(2) Une modification faite conformément au paragraphe (1) mais dérogatoire à la compétence législative, aux droits de propriété ou à tous autres droits ou privilèges

ernment of a province shall require a resolution supported by a majority of the members of each of the Senate, the House of Commons and the legislative assemblies required under subsection (1).

d'une législature ou d'un gouvernement provincial exige une résolution adoptée à la majorité des sénateurs, des députés fédéraux et des députés de chacune des assemblées législatives du nombre requis de provinces.

Expression of dissent

(3) An amendment referred to in subsection (2) shall not have effect in a province the legislative assembly of which has expressed its dissent thereto by resolution supported by a majority of its members prior to the issue of the proclamation to which the amendment relates unless that legislative assembly, subsequently, by resolution supported by a majority of its members, revokes its dissent and authorizes the amendment.

Désaccord

(3) La modification visée au paragraphe (2) est sans effet dans une province dont l'assemblée législative a, avant la prise de la proclamation, exprimé son désaccord par une résolution adoptée à la majorité des députés, sauf si cette assemblée, par résolution également adoptée à la majorité, revient sur son désaccord et autorise la modification.

Revocation of dissent

(4) A resolution of dissent made for the purposes of subsection (3) may be revoked at any time before or after the issue of the proclamation to which it relates.

Levée du désaccord

(4) La résolution de désaccord visée au paragraphe (3) peut être révoquée à tout moment, indépendamment de la date de la proclamation à laquelle elle se rapporte.

Restriction on proclamation

38. (1) A proclamation shall not be issued under subsection 37(1) before the expiration of one year from the adoption of the resolution initiating the amendment procedure thereunder, unless the legislative assembly of each province has previously adopted a resolution of assent or dissent.

Restriction

38. (1) La proclamation visée au paragraphe 37(1) ne peut être prise dans l'année suivant l'adoption de la résolution à l'origine de la procédure de modification que si l'assemblée législative de chaque province a préalablement adopté une résolution d'agrément ou de désaccord.

Idem

(2) A proclamation shall not be issued under subsection 37(1) after the expiration of three years from the adoption of the resolution initiating the amendment procedure thereunder.

Idem

(2) La proclamation visée au paragraphe 37(1) ne peut être prise que dans les trois ans suivant l'adoption de la résolution à l'origine de la procédure de modification.

Compensation

39. Where an amendment is made under subsection 37(1) that transfers provincial legislative powers relating to education or other cultural matters from provincial legislatures to Parliament, Canada shall provide reasonable compensation to any province to which the amendment does not apply.

Compensation

39. Le Canada fournit une juste compensation aux provinces auxquelles ne s'applique pas une modification faite conformément au paragraphe 37(1) et relative, en matière d'éducation ou dans d'autres domaines culturels, à un transfert de compétences législatives provinciales au Parlement.

Amendment by unanimous consent

40. An amendment to the Constitution of Canada in relation to the following matters may be made by proclamation issued by the Governor General under the Great Seal of Canada only where authorized by resolutions of the Senate and House of Commons and of the legislative assembly of each province:

Consentement unanime

40. Toute modification de la Constitution du Canada portant sur les questions suivantes se fait par proclamation du gouverneur général sous le grand sceau du Canada, autorisée par des résolutions du Sénat, de la Chambre des communes et de l'assemblée législative de chaque province :

(*a*) the office of the Queen, the Governor General and the Lieutenant Governor of a province;

a) la charge de Reine, celle de gouverneur général et celle de lieutenant-gouverneur;

(*b*) the right of a province to a number of members in the House of Commons not less than the number of Senators by which the province is entitled to be represented at the time this Part comes into force;

(*c*) subject to section 42, the use of the English or the French language;

(*d*) the composition of the Supreme Court of Canada; and

(*e*) an amendment to this Part.

b) le droit d'une province d'avoir à la Chambre des communes un nombre de députés au moins égal à celui des sénateurs par lesquels elle est habilitée à être représentée lors de l'entrée en vigueur de la présente partie;

c) sous réserve de l'article 42, l'usage du français ou de l'anglais;

d) la composition de la Cour suprême du Canada;

e) la modification de la présente partie.

Amendment by general procedure

41. (1) An amendment to the Constitution of Canada in relation to the following matters may be made only in accordance with subsection 37(1):

(*a*) the principle of proportionate representation of the provinces in the House of Commons prescribed by the Constitution of Canada;

(*b*) the powers of the Senate and the method of selecting Senators;

(*c*) the number of members by which a province is entitled to be represented in the Senate and the residence qualifications of Senators;

(*d*) subject to paragraph 40(*d*), the Supreme Court of Canada;

(*e*) the extension of existing provinces into the territories; and

(*f*) notwithstanding any other law or practice, the establishment of new provinces.

Procédure normale de modification

41. (1) Toute modification de la Constitution du Canada portant sur les questions suivantes se fait conformément au paragraphe 37(1) :

a) le principe de la représentation proportionnelle des provinces à la Chambre des communes prévu par la Constitution du Canada;

b) les pouvoirs du Sénat et le mode de sélection des sénateurs;

c) le nombre des sénateurs par lesquels une province est habilitée à être représentée et les conditions de résidence qu'ils doivent remplir;

d) sous réserve de l'alinéa 40*d*), la Cour suprême du Canada;

e) le rattachement aux provinces existantes de tout ou partie des territoires;

f) par dérogation à toute autre loi ou usage, la création de provinces.

Exception

(2) Subsections 37(2) to (4) do not apply in respect of amendments in relation to matters referred to in subsection (1).

Exception

(2) Les paragraphes 37(2) à (4) ne s'appliquent pas aux questions mentionnées au paragraphe (1).

Amendment of provisions relating to some but not all provinces

42. An amendment to the Constitution of Canada in relation to any provision that applies to one or more, but not all, provinces, including

(*a*) any alteration to boundaries between provinces, and

(*b*) any amendment to any provision that relates to the use of the English or the French language within a province,

may be made by proclamation issued by the Governor General under the Great Seal of Canada only where so authorized by resolutions of the Senate and House of Commons

Modification à l'égard de certaines provinces

42. Les dispositions de la Constitution du Canada applicables à certaines provinces seulement ne peuvent être modifiées que par proclamation du gouverneur général sous le grand sceau du Canada, autorisée par des résolutions du Sénat, de la Chambre des communes et de l'assemblée législative de chaque province concernée. Le présent article s'applique notamment :

a) aux changements du tracé des frontières interprovinciales;

b) aux modifications des dispositions relatives à l'usage du français ou de l'anglais dans une province.

and of the legislative assembly of each province to which the amendment applies.

Amendments by Parliament

43. Subject to sections 40 and 41, Parliament may exclusively make laws amending the Constitution of Canada in relation to the executive government of Canada or the Senate and House of Commons.

Modification par le Parlement

43. Sous réserve des articles 40 et 41, le Parlement a compétence exclusive pour modifier les dispositions de la Constitution du Canada relatives au pouvoir exécutif fédéral, au Sénat ou à la Chambre des communes.

Amendments by provincial legislatures

44. Subject to section 40, the legislature of each province may exclusively make laws amending the constitution of the province.

Modification par les législatures

44. Sous réserve de l'article 40, une législature a compétence exclusive pour modifier la constitution de sa province.

Initiation of amendment procedures

45. (1) The procedures for amendment under sections 37, 40, 41 and 42 may be initiated either by the Senate or the House of Commons or by the legislative assembly of a province.

Initiative des procédures

45. (1) L'initiative des procédures de modification visées aux articles 37, 40, 41 et 42 appartient au Sénat, à la Chambre des communes ou à une assemblée législative.

Revocation of authorization

(2) A resolution of assent made for the purposes of this Part may be revoked at any time before the issue of a proclamation authorized by it.

Possibilité de révocation

(2) Une résolution d'agrément adoptée dans le cadre de la présente partie peut être révoquée à tout moment avant la date de la proclamation qu'elle autorise.

Amendments without Senate resolution

46. (1) An amendment to the Constitution of Canada made by proclamation under section 37, 40, 41 or 42 may be made without a resolution of the Senate authorizing the issue of the proclamation if, within one hundred and eighty days after the adoption by the House of Commons of a resolution authorizing its issue, the Senate has not adopted such a resolution and if, at any time after the expiration of that period, the House of Commons again adopts the resolution.

Modification sans résolution du Sénat

46. (1) Dans les cas visés à l'article 37, 40, 41 ou 42, il peut être passé outre au défaut d'autorisation du Sénat si celui-ci n'a pas adopté de résolution dans un délai de cent quatre-vingts jours suivant l'adoption de celle de la Chambre des communes et si cette dernière, après l'expiration du délai, adopte une nouvelle résolution dans le même sens.

Computation of period

(2) Any period when Parliament is prorogued or dissolved shall not be counted in computing the one hundred and eighty day period referred to in subsection (1).

Computation du délai

(2) Dans la computation du délai visé au paragraphe (1), ne sont pas comptées les périodes pendant lesquelles le Parlement est prorogé ou dissous.

Advice to issue proclamation

47. The Queen's Privy Council for Canada shall advise the Governor General to issue a proclamation under this Part forthwith on the adoption of the resolutions required for an amendment made by proclamation under this Part.

Demande de proclamation

47. Le Conseil privé de la Reine pour le Canada demande au gouverneur général de prendre, conformément à la présente partie, une proclamation dès l'adoption des résolutions prévues par cette partie pour une modification par proclamation.

Constitutional conference

48. A constitutional conference composed of the Prime Minister of Canada and the first ministers of the provinces shall be convened by the Prime Minister of Canada within fifteen years after this Part comes into force to review the provisions of this Part.

Conférence constitutionnelle

48. Dans les quinze ans suivant l'entrée en vigueur de la présente partie, le premier ministre du Canada convoque une conférence constitutionnelle réunissant les premiers ministres provinciaux et lui-même, en vue du réexamen des dispositions de cette partie.

PART V

AMENDMENT TO THE CONSTITUTION ACT, 1867

Amendment to *Constitution Act, 1867*

49. The *Constitution Act, 1867* (formerly named the *British North America Act, 1867*) is amended by adding thereto, immediately after section 92 thereof, the following heading and section:

"Non-Renewable Natural Resources, Forestry Resources and Electrical Energy

Laws respecting non-renewable natural resources, forestry resources and electrical energy

92A. (1) In each province, the legislature may exclusively make laws in relation to

(*a*) exploration for non-renewable natural resources in the province;

(*b*) development, conservation and management of non-renewable natural resources and forestry resources in the province, including laws in relation to the rate of primary production therefrom; and

(*c*) development, conservation and management of sites and facilities in the province for the generation and production of electrical energy.

Export from provinces of resources

(2) In each province, the legislature may make laws in relation to the export from the province to another part of Canada of the primary production from non-renewable natural resources and forestry resources in the province and the production from facilities in the province for the generation of electrical energy, but such laws may not authorize or provide for discrimination in prices or in supplies exported to another part of Canada.

Authority of Parliament

(3) Nothing in subsection (2) derogates from the authority of Parliament to enact laws in relation to the matters referred to in that subsection and, where such a law of Parliament and a law of a province conflict, the law of Parliament prevails to the extent of the conflict.

PARTIE V

MODIFICATION DE LA LOI CONSTITUTIONNELLE DE 1867

Modification de la *Loi constitutionnelle de 1867*

49. La *Loi constitutionnelle de 1867* (antérieurement désignée sous le titre : *Acte de l'Amérique du Nord britannique, 1867*) est modifiée par insertion, après l'article 92, de la rubrique et de l'article suivants :

«Ressources naturelles non renouvelables, ressources forestières et énergie électrique

Compétence provinciale

92A. (1) La législature de chaque province a compétence exclusive pour légiférer dans les domaines suivants :

a) prospection des ressources naturelles non renouvelables de la province;

b) exploitation, conservation et gestion des ressources naturelles non renouvelables et des ressources forestières de la province, y compris leur rythme de production primaire;

c) aménagement, conservation et gestion des emplacements et des installations de la province destinés à la production d'énergie électrique.

Exportation hors des provinces

(2) La législature de chaque province a compétence pour légiférer en ce qui concerne l'exportation, hors de la province, à destination d'une autre partie du Canada, de la production primaire tirée des ressources naturelles non renouvelables et des ressources forestières de la province, ainsi que de la production d'énergie électrique de la province, sous réserve de ne pas adopter de lois autorisant ou prévoyant des disparités de prix ou des disparités dans les exportations destinées à une autre partie du Canada.

Pouvoir du Parlement

(3) Le paragraphe (2) ne porte pas atteinte au pouvoir du Parlement de légiférer dans les domaines visés à ce paragraphe, les dispositions d'une loi du Parlement adoptée dans ces domaines l'emportant sur les dispositions incompatibles d'une loi provinciale.

The Constitution

Taxation of resources

(4) In each province, the legislature may make laws in relation to the raising of money by any mode or system of taxation in respect of

(*a*) non-renewable natural resources and forestry resources in the province and the primary production therefrom, and

(*b*) sites and facilities in the province for the generation of electrical energy and the production therefrom,

whether or not such production is exported in whole or in part from the province, but such laws may not authorize or provide for taxation that differentiates between production exported to another part of Canada and production not exported from the province.

"Primary production"

(5) The expression "primary production" has the meaning assigned by the Sixth Schedule.

Existing powers or rights

(6) Nothing in subsections (1) to (5) derogates from any powers or rights that a legislature or government of a province had immediately before the coming into force of this section."

Idem

50. The said Act is further amended by adding thereto the following Schedule:

Taxation des ressources

(4) La législature de chaque province a compétence pour prélever des sommes d'argent par tout mode ou système de taxation :

a) des ressources naturelles non renouvelables et des ressources forestières de la province, ainsi que de la production primaire qui en est tirée;

b) des emplacements et des installations de la province destinés à la production d'énergie électrique, ainsi que de cette production même.

Cette compétence peut s'exercer indépendamment du fait que la production en cause soit ou non, en totalité ou en partie, exportée hors de la province, mais les lois adoptées dans ces domaines ne peuvent autoriser ou prévoir une taxation qui établisse une distinction entre la production exportée à destination d'une autre partie du Canada et la production non exportée hors de la province.

«Production primaire»

(5) L'expression «production primaire» a le sens qui lui est donné dans la sixième annexe.

Pouvoirs ou droits existants

(6) Les paragraphes (1) à (5) ne portent pas atteinte aux pouvoirs ou droits détenus par la législature ou le gouvernement d'une province lors de l'entrée en vigueur du présent article.»

Idem

50. Ladite loi est en outre modifiée par adjonction de l'annexe suivante :

"THE SIXTH SCHEDULE

Primary Production from Non-Renewable Natural Resources and Forestry Resources

1. For the purposes of section 92A of this Act,

(*a*) production from a non-renewable natural resource is primary production therefrom if

(i) it is in the form in which it exists upon its recovery or severance from its natural state, or

«SIXIÈME ANNEXE

Production primaire tirée des ressources naturelles non renouvelables et des ressources forestières

1. Pour l'application de l'article 92A :

a) on entend par production primaire tirée d'une ressource naturelle non renouvelable :

(i) soit le produit qui se présente sous la même forme que lors de son extraction du milieu naturel,

(ii) soit le produit non manufacturé de la transformation, du raffinage ou de

(ii) it is a product resulting from processing or refining the resource, and is not a manufactured product or a product resulting from refining crude oil, refining upgraded heavy crude oil, refining gases or liquids derived from coal or refining a synthetic equivalent of crude oil; and

(*b*) production from a forestry resource is primary production therefrom if it consists of sawlogs, poles, lumber, wood chips, sawdust or any other primary wood product, or wood pulp, and is not a product manufactured from wood."

l'affinage d'une ressource, à l'exception du produit du raffinage du pétrole brut, du raffinage du pétrole brut lourd amélioré, du raffinage des gaz ou des liquides dérivés du charbon ou du raffinage d'un équivalent synthétique du pétrole brut;

b) on entend par production primaire tirée d'une ressource forestière la production constituée de billots, de poteaux, de bois d'œuvre, de copeaux, de sciure ou d'autre produit primaire du bois, ou de pâte de bois, à l'exception d'un produit manufacturé en bois.»

PART VI

GENERAL

PARTIE VI

DISPOSITIONS GÉNÉRALES

Primacy of Constitution of Canada

51. (1) The Constitution of Canada is the supreme law of Canada, and any law that is inconsistent with the provisions of the Constitution is, to the extent of the inconsistency, of no force or effect.

51. (1) La Constitution du Canada est la loi suprême du Canada; elle rend inopérantes les dispositions incompatibles de toute autre règle de droit.

Primauté de la Constitution du Canada

Constitution of Canada

(2) The Constitution of Canada includes

(*a*) the *Canada Act*, including this Act;

(*b*) the Acts and orders referred to in Schedule I; and

(*c*) any amendment to any Act or order referred to in paragraph (*a*) or (*b*).

(2) La Constitution du Canada comprend :

a) la *Loi sur le Canada*, y compris la présente loi;

b) les textes législatifs et les décrets figurant à l'annexe I;

c) les modifications des textes législatifs et des décrets mentionnés aux alinéas *a*) ou *b*).

Constitution du Canada

Amendments to Constitution of Canada

(3) Amendments to the Constitution of Canada shall be made only in accordance with the authority contained in the Constitution of Canada.

(3) La Constitution du Canada ne peut être modifiée que conformément aux pouvoirs conférés par elle.

Modification

Repeals and new names

52. (1) The enactments referred to in Column I of Schedule I are hereby repealed or amended to the extent indicated in Column II thereof and, unless repealed, shall continue as law in Canada under the names set out in Column III thereof.

52. (1) Les textes législatifs et les décrets énumérés à la colonne I de l'annexe I sont abrogés ou modifiés dans la mesure indiquée à la colonne II. Sauf abrogation, ils restent en vigueur en tant que lois du Canada sous les titres mentionnés à la colonne III.

Abrogation et nouveaux titres

Consequential amendments

(2) Every enactment, except the *Canada Act*, that refers to an enactment referred to in Schedule I by the name in Column I thereof is hereby amended by substituting for that name the corresponding name in Column III thereof, and any British North America Act not referred to in Schedule I may be cited as the *Constitution Act* fol-

(2) Tout texte législatif ou réglementaire, sauf la *Loi sur le Canada,* qui fait mention d'un texte législatif ou décret figurant à l'annexe I par le titre indiqué à la colonne I est modifié par substitution à ce titre du titre correspondant mentionné à la colonne III; tout Acte de l'Amérique du Nord britannique non mentionné à l'annexe I peut être cité sous le titre de *Loi constitutionnelle* suivi de

Modifications corrélatives

lowed by the year and number, if any, of its enactment.

l'indication de l'année de son adoption et éventuellement de son numéro.

Repeal and consequential amendments

53. Part III is repealed on the day that is one year after this Part comes into force and this section may be repealed and this Act renumbered, consequential upon the repeal of Part III and this section, by proclamation issued by the Governor General under the Great Seal of Canada.

53. La partie III est abrogée un an après l'entrée en vigueur de la présente partie et le gouverneur général peut, par proclamation sous le grand sceau du Canada, abroger le présent article et apporter en conséquence de cette double abrogation les aménagements qui s'imposent à la présente loi.

Abrogation et modifications qui en découlent

French version of Constitution of Canada

54. A French version of the portions of the Constitution of Canada referred to in Schedule I shall be prepared by the Minister of Justice of Canada as expeditiously as possible and, when any portion thereof sufficient to warrant action being taken has been so prepared, it shall be put forward for enactment by proclamation issued by the Governor General under the Great Seal of Canada pursuant to the procedure then applicable to an amendment of the same provisions of the Constitution of Canada.

54. Le ministre de la Justice du Canada est chargé de rédiger, dans les meilleurs délais, la version française des parties de la Constitution du Canada qui figurent à l'annexe I; toute partie suffisamment importante est, dès qu'elle est prête, déposée pour adoption par proclamation du gouverneur général sous le grand sceau du Canada, conformément à la procédure applicable à l'époque à la modification des dispositions constitutionnelles qu'elle contient.

Version française de certains textes constitutionnels

English and French versions of certain constitutional texts

55. Where any portion of the Constitution of Canada has been or is enacted in English and French or where a French version of any portion of the Constitution is enacted pursuant to section 54, the English and French versions of that portion of the Constitution are equally authoritative.

55. Les versions française et anglaise des parties de la Constitution du Canada adoptées dans ces deux langues ont également force de loi. En outre, ont également force de loi, dès l'adoption, dans le cadre de l'article 54, d'une partie de la version française de la Constitution, cette partie et la version anglaise correspondante.

Versions française et anglaise de certains textes constitutionnels

English and French versions of this Act

56. The English and French versions of this Act are equally authoritative.

56. Les versions française et anglaise de la présente loi ont également force de loi.

Versions française et anglaise de la présente loi

Commencement

57. Subject to section 58, this Act shall come into force on a day to be fixed by proclamation issued by the Queen or the Governor General under the Great Seal of Canada.

57. Sous réserve de l'article 58, la présente loi entre en vigueur à la date fixée par proclamation de la Reine ou du gouverneur général sous le grand sceau du Canada.

Entrée en vigueur

Commencement of paragraph 23(1)(*a*) in respect of Quebec

58. (1) Paragraph 23(1)(*a*) shall come into force in respect of Quebec on a day to be fixed by proclamation issued by the Queen or the Governor General under the Great Seal of Canada.

58. (1) L'alinéa 23(1)*a*) entre en vigueur pour le Québec à la date fixée par proclamation de la Reine ou du gouverneur général sous le grand sceau du Canada.

Entrée en vigueur de l'alinéa 23(1)*a*) pour le Québec

Authorization of Quebec

(2) A proclamation under subsection (1) shall be issued only where authorized by the legislative assembly or government of Quebec.

(2) La proclamation visée au paragraphe (1) ne peut être prise qu'après autorisation de l'assemblée législative ou du gouvernement du Québec.

Autorisation du Québec

Repeal of this section

(3) This section may be repealed on the day paragraph 23(1)(*a*) comes into force in respect of Quebec and this Act amended and renumbered, consequential upon the repeal of this section, by proclamation issued by the Queen or the Governor General under the Great Seal of Canada.

Abrogation du présent article

(3) Le présent article peut être abrogé à la date d'entrée en vigueur de l'alinéa 23(1)*a*) pour le Québec, et la présente loi faire l'objet, dès cette abrogation, des modifications et changements de numérotation qui en découlent, par proclamation de la Reine ou du gouverneur général sous le grand sceau du Canada.

Short title and citations

59. This Act may be cited as the *Constitution Act, 1981*, and the Constitution Acts 1867 to 1975 (No. 2) and this Act may be cited together as the *Constitution Acts, 1867 to 1981*.

Titres

59. Titre abrégé de la présente annexe : *Loi constitutionnelle de 1981*; titre commun des lois constitutionnelles de 1867 à 1975 (nº 2) et de la présente loi : *Lois constitutionnelles de 1867 à 1981*.

SCHEDULE I

to the

CONSTITUTION ACT, 1981

MODERNIZATION OF THE CONSTITUTION

Item	Column I Act Affected	Column II Amendment	Column III New Name
1.	British North America Act, 1867, 30-31 Vict., c. 3 (U.K.)	(1) Section 1 is repealed and the following substituted therefor: "1. This Act may be cited as the *Constitution Act, 1867*." (2) Section 20 is repealed. (3) Class 1 of section 91 is repealed. (4) Class 1 of section 92 is repealed.	Constitution Act, 1867
2.	An Act to amend and continue the Act 32-33 Victoria chapter 3; and to establish and provide for the Government of the Province of Manitoba, 1870, 33 Vict., c. 3 (Can.)	(1) The long title is repealed and the following substituted therefor: "*Manitoba Act, 1870*." (2) Section 20 is repealed.	Manitoba Act, 1870
3.	Order of Her Majesty in Council admitting Rupert's Land and the North-Western Territory into the union, dated the 23rd day of June, 1870		Rupert's Land and North-Western Territory Order
4.	Order of Her Majesty in Council admitting British Columbia into the Union, dated the 16th day of May, 1871		British Columbia Terms of Union
5.	British North America Act, 1871, 34-35 Vict., c. 28 (U.K.)	Section 1 is repealed and the following substituted therefor: "1. This Act may be cited as the *Constitution Act, 1871*."	Constitution Act, 1871
6.	Order of Her Majesty in Council admitting Prince Edward Island into the Union, dated the 26th day of June, 1873		Prince Edward Island Terms of Union
7.	Parliament of Canada Act, 1875, 38-39 Vict., c. 38 (U.K.)		Parliament of Canada Act, 1875
8.	Order of Her Majesty in Council admitting all British possessions and Territories in North America and islands adjacent thereto into the Union, dated the 31st day of July, 1880		Adjacent Territories Order

ANNEXE I

LOI CONSTITUTIONNELLE DE 1981

ACTUALISATION DE LA CONSTITUTION

	Colonne I Loi visée	Colonne II Modification	Colonne III Nouveau titre
1.	Acte de l'Amérique du Nord britannique, 1867, 30-31 Vict., c. 3 (R.-U.)	(1) L'article 1 est abrogé et remplacé par ce qui suit : «1. Titre abrégé : *Loi constitutionnelle de 1867*.» (2) L'article 20 est abrogé. (3) La catégorie 1 de l'article 91 est abrogée. (4) La catégorie 1 de l'article 92 est abrogée.	Loi constitutionnelle de 1867
2.	Acte pour amender et continuer l'acte trente-deux et trente-trois Victoria, chapitre trois, et pour établir et constituer le gouvernement de la province de Manitoba, 1870, 33 Vict., c. 3 (Canada)	(1) Le titre complet est abrogé et remplacé par ce qui suit : «*Loi de 1870 sur le Manitoba*.» (2) L'article 20 est abrogé.	Loi de 1870 sur le Manitoba
3.	Arrêté en conseil de Sa Majesté admettant la Terre de Rupert et le Territoire du Nord-Ouest, en date du 23 juin 1870		Décret en conseil sur la terre de Rupert et le territoire du Nord-Ouest
4.	Arrêté en conseil de Sa Majesté admettant la Colombie-Britannique, en date du 16 mai 1871		Conditions de l'adhésion de la Colombie-Britannique
5.	Acte de l'Amérique du Nord britannique, 1871, 34-35 Vict., c. 28 (R.-U.)	L'article 1 est abrogé et remplacé par ce qui suit : «1. Titre abrégé : *Loi constitutionnelle de 1871*.»	Loi constitutionnelle de 1871
6.	Arrêté en conseil de Sa Majesté admettant l'Île-du-Prince-Édouard, en date du 26 juin 1873		Conditions de l'adhésion de l'Île-du-Prince-Édouard
7.	Acte du Parlement du Canada, 1875, 38-39 Vict., c. 38 (R.-U.)		Loi de 1875 sur le Parlement du Canada
8.	Arrêté en conseil de Sa Majesté admettant dans l'Union tous les territoires et possessions britanniques dans l'Amérique du Nord, et les îles adjacentes à ces territoires et possessions, en date du 31 juillet 1880		Décret en conseil sur les territoires adjacents

SCHEDULE I

to the

CONSTITUTION ACT, 1981—*Continued*

Item	Column I Act Affected	Column II Amendment	Column III New Name
9.	British North America Act, 1886, 49-50 Vict., c. 35 (U.K.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Constitution Act, 1886*."	Constitution Act, 1886
10.	Canada (Ontario Boundary) Act, 1889, 52-53 Vict., c. 28 (U.K.)		Canada (Ontario Boundary) Act, 1889
11.	Canadian Speaker (Appointment of Deputy) Act, 1895, 2nd Sess., 59 Vict., c. 3 (U.K.)	The Act is repealed.	
12.	The Alberta Act, 1905, 4-5 Edw. VII, c. 3 (Can.)		Alberta Act
13.	The Saskatchewan Act, 1905, 4-5 Edw. VII, c. 42 (Can.)		Saskatchewan Act
14.	British North America Act, 1907, 7 Edw. VII, c. 11 (U.K.)	Section 2 is repealed and the following substituted therefor: "2. This Act may be cited as the *Constitution Act, 1907*."	Constitution Act, 1907
15.	British North America Act, 1915, 5-6 Geo. V, c. 45 (U.K.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Constitution Act, 1915*."	Constitution Act, 1915
16.	British North America Act, 1930, 20-21 Geo. V, c. 26 (U.K.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Constitution Act, 1930*."	Constitution Act, 1930
17.	Statute of Westminster, 1931, 22 Geo. V, c. 4 (U.K.)	In so far as they apply to Canada, (*a*) section 4 is repealed; and (*b*) subsection 7(1) is repealed.	Statute of Westminster, 1931
18.	British North America Act, 1940, 3-4 Geo. VI, c. 36 (U.K.)	Section 2 is repealed and the following substituted therefor: "2. This Act may be cited as the *Constitution Act, 1940*."	Constitution Act, 1940
19.	British North America Act, 1943, 6-7 Geo. VI, c. 30 (U.K.)	The Act is repealed.	

ANNEXE I (*suite*)

LOI CONSTITUTIONNELLE DE 1981

	Colonne I Loi visée	Colonne II Modification	Colonne III Nouveau titre
9.	Acte de l'Amérique du Nord britannique, 1886, 49-50 Vict., c. 35 (R.-U.)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi constitutionnelle de 1886.*»	Loi constitutionnelle de 1886
10.	Acte du Canada (limites d'Ontario) 1889, 52-53 Vict., c. 28 (R.-U.)		Loi de 1889 sur le Canada (frontières de l'Ontario)
11.	Acte concernant l'Orateur canadien (nomination d'un suppléant) 1895, 2e session, 59 Vict., c. 3 (R.-U.)	La loi est abrogée.	
12.	Acte de l'Alberta, 1905, 4-5 Ed. VII, c. 3 (Canada)		Loi sur l'Alberta
13.	Acte de la Saskatchewan, 1905, 4-5 Ed. VII, c. 42 (Canada)		Loi sur la Saskatchewan
14.	Acte de l'Amérique du Nord britannique, 1907, 7 Ed. VII, c. 11 (R.-U.)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé : *Loi constitutionnelle de 1907.*»	Loi constitutionnelle de 1907
15.	Acte de l'Amérique du Nord britannique, 1915, 5-6 Geo. V, c. 45 (R.-U.)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi constitutionnelle de 1915.*»	Loi constitutionnelle de 1915
16.	Acte de l'Amérique du Nord britannique, 1930, 20-21 Geo. V, c. 26 (R.-U.)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi constitutionnelle de 1930.*»	Loi constitutionnelle de 1930
17.	Statut de Westminster, 1931, 22 Geo. V, c. 4 (R.-U.)	Dans la mesure où ils s'appliquent au Canada : *a*) l'article 4 est abrogé; *b*) le paragraphe 7(1) est abrogé.	Statut de Westminster de 1931
18.	Acte de l'Amérique du Nord britannique, 1940, 3-4 Geo. VI, c. 36 (R.-U.)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé : *Loi constitutionnelle de 1940.*»	Loi constitutionnelle de 1940
19.	Acte de l'Amérique du Nord britannique, 1943, 6-7 Geo. VI, c. 30 (R.-U.)	La loi est abrogée.	

SCHEDULE I

to the

CONSTITUTION ACT, 1981—*Continued*

Item	Column I Act Affected	Column II Amendment	Column III New Name
20.	British North America Act, 1946, 9-10 Geo. VI, c. 63 (U.K.)	The Act is repealed.	
21.	British North America Act, 1949, 12-13 Geo. VI, c. 22 (U.K.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Newfoundland Act*."	Newfoundland Act
22.	British North America (No. 2) Act, 1949, 13 Geo. VI, c. 81 (U.K.)	The Act is repealed.	
23.	British North America Act, 1951, 14-15 Geo. VI, c. 32 (U.K.)	The Act is repealed.	
24.	British North America Act, 1952, 1 Eliz. II, c. 15 (Can.)	The Act is repealed.	
25.	British North America Act, 1960, 9 Eliz. II, c. 2 (U.K.)	Section 2 is repealed and the following substituted therefor: "2. This Act may be cited as the *Constitution Act, 1960*."	Constitution Act, 1960
26.	British North America Act, 1964, 12-13 Eliz. II, c. 73 (U.K.)	Section 2 is repealed and the following substituted therefor: "2. This Act may be cited as the *Constitution Act, 1964*."	Constitution Act, 1964
27.	British North America Act, 1965, 14 Eliz. II, c. 4, Part I (Can.)	Section 2 is repealed and the following substituted therefor: "2. This Part may be cited as the *Constitution Act, 1965*."	Constitution Act, 1965
28.	British North America Act, 1974, 23 Eliz. II, c. 13, Part I (Can.)	Section 3, as amended by 25-26 Eliz. II, c. 28, s. 38(1) (Can.) is repealed and the following substituted therefor: "3. This Part may be cited as the *Constitution Act, 1974*."	Constitution Act, 1974

ANNEXE I (*suite*)

LOI CONSTITUTIONNELLE DE 1981

	Colonne I Loi visée	Colonne II Modification	Colonne III Nouveau titre
20.	Acte de l'Amérique du Nord britannique, 1946, 9-10 Geo. VI, c. 63 (R.-U.)	La loi est abrogée.	
21.	Acte de l'Amérique du Nord britannique, 1949, 12-13 Geo. VI, c. 22 (R.-U.)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi sur Terre-Neuve.*»	Loi sur Terre-Neuve
22.	Acte de l'Amérique du Nord britannique (N° 2), 1949, 13 Geo. VI, c. 81 (R.-U.)	La loi est abrogée.	
23.	Acte de l'Amérique du Nord britannique, 1951, 14-15 Geo. VI, c. 32 (R.-U.)	La loi est abrogée.	
24.	Acte de l'Amérique du Nord britannique, 1952, 1 Eliz. II, c. 15 (Canada)	La loi est abrogée.	
25.	Acte de l'Amérique du Nord britannique, 1960, 9 Eliz. II, c. 2 (R.-U.)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé : *Loi constitutionnelle de 1960.*»	Loi constitutionnelle de 1960
26.	Acte de l'Amérique du Nord britannique, 1964, 12-13 Eliz. II, c. 73 (R.-U.)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé : *Loi constitutionnelle de 1964.*»	Loi constitutionnelle de 1964
27.	Acte de l'Amérique du Nord britannique, 1965, 14 Eliz. II, c. 4, Partie I (Canada)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé de la présente partie : *Loi constitutionnelle de 1965.*»	Loi constitutionnelle de 1965
28.	Acte de l'Amérique du Nord britannique, 1974, 23 Eliz. II, c. 13, Partie I (Canada)	L'article 3, modifié par le paragraphe 38(1) de la loi 25-26 Elizabeth II, c. 28 (Canada), est abrogé et remplacé par ce qui suit : «3. Titre abrégé de la présente partie : *Loi constitutionnelle de 1974.*»	Loi constitutionnelle de 1974

SCHEDULE I

to the

CONSTITUTION ACT, 1981—*Concluded*

Item	Column I Act Affected	Column II Amendment	Column III New Name
29.	British North America Act, 1975, 23-24 Eliz. II, c. 28, Part I (Can.)	Section 3, as amended by 25-26 Eliz. II, c. 28, s. 31 (Can.) is repealed and the following substituted therefor: "3. This Part may be cited as the *Constitution Act (No. 1), 1975*."	Constitution Act (No. 1), 1975
30.	British North America Act (No. 2), 1975, 23-24 Eliz. II, c. 53 (Can.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Constitution Act (No. 2), 1975*."	Constitution Act (No. 2), 1975

And on the amendment thereto of The Minister of Indian Affairs and Northern Development, as amended in the French version,—That the proposed *Constitution Act 1981* contained in the motion in the name of the Minister of Justice (Government Business, Government Motion No. 56), as printed in the *Order Paper* of Monday, November 23, 1981, be amended

(*a*) by adding, immediately after line 19 on page 24 of the *Order Paper*, the following:

"PART II

RIGHTS OF THE ABORIGINAL PEOPLES OF CANADA

35. (1) The existing aboriginal and treaty rights of the aboriginal peoples of Canada are hereby recognized and affirmed.

(2) In this Act, "aboriginal peoples of Canada" includes the Indian, Inuit and Métis peoples of Canada."

(*b*) by renumbering the subsequent parts and clauses accordingly.

ANNEXE I (*fin*)

LOI CONSTITUTIONNELLE DE 1981

	Colonne I Loi visée	Colonne II Modification	Colonne III Nouveau titre
29.	Acte de l'Amérique du Nord britannique, 1975, 23-24 Eliz. II, c. 28, Partie I (Canada)	L'article 3, modifié par l'article 31 de la loi 25-26 Elizabeth II, c. 28 (Canada), est abrogé et remplacé par ce qui suit : «3. Titre abrégé de la présente partie : *Loi constitutionnelle nº 1 de 1975*.»	Loi constitutionnelle nº 1 de 1975
30.	Acte de l'Amérique du Nord britannique nº 2, 1975, 23-24 Eliz. II, c. 53 (Canada)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi constitutionnelle nº 2 de 1975*.»	Loi constitutionnelle nº 2 de 1975

Et sur l'amendement, telle que modifiée, du ministre des Affaires indiennes et du Nord canadien,—Que le projet de *Loi constitutionnelle de 1981* qui figure dans la motion du ministre de la Justice (Affaires gouvernementales, motion nº 56 du gouvernement) parue dans le *Feuilleton* du lundi 23 novembre 1981 soit modifié par:

a) insertion, après la ligne 19, page 24 du *Feuilleton*, de ce qui suit:

«PARTIE II

DROITS DES PEUPLES AUTOCHTONES DU CANADA

35. (1) Les droits existants - ancestraux ou issus de traités - des peuples autochtones du Canada sont reconnus et confirmés.

(2) Dans la présente loi, «peuples autochtones du Canada» s'entend notamment des Indiens, des Inuit et des Métis du Canada.»;

b) les changements de numéros de partie et d'article qui en découlent.

Mr. Gauthier: Madam Speaker—

Madam Speaker: The hon. member for Ottawa Vanier.

Mr. Gauthier: Madam Speaker, there must be some mistake, because I do not think—I am very surprised to have the floor. Before I go on, Madam Speaker, could you tell me whether I am supposed to address the subamendment? Am I still allowed only twenty minutes, or have all agreements been waived?

Madam Speaker: I would ask the Clerk to read again the order of the day, so that the hon. member will know what he is supposed to address.

(*The Clerk read the motion again.*)

[*English*]

Mr. Deans: Madam Speaker, I rise on a point of order. I drew from what we just finished discussing that we had agreed to have the hon. member for Cowichan-Malahat-The Islands (Mr. Manly) move his subamendment, to allow an opportunity for debate, and then to go to the vote. I understood that was agreed.

● (1530)

Madam Speaker: I understood that too, but when hon. members do not rise I cannot recognize them. I am sorry, but the hon. member for Ottawa-Vanier (Mr. Gauthier) had risen before the hon. member for Cowichan-Malahat-The Islands (Mr. Manly). I did wait a few seconds because I had understood the agreement and there was no House order. If the hon. member for Ottawa-Vanier wants to defer, because I think he has understood the wish of the House although an order was not made, perhaps he could make his speech at a later time. That was my understanding. However, I am in the hands of the House.

[*Translation*]

Mr. Pinard: Madam Speaker, I understood earlier that we had come to a partial agreement to the effect that the NDP member would move a subamendment and make a short 15-minute speech, after which there would be one speaker for the Conservative Party and perhaps one from the Liberal Party, and that we would then vote both on the subamendment and the amendment, provided that the hon. member for Yukon (Mr. Nielsen) could be recognized immediately afterwards. This is what we have agreed to. I thought that this was quite clear and that an order of the House had been made. What the House leaders are now going to discuss in my office concerns something else: shorter speeches and a vote on the main resolution within a very short time. That is what we want to negotiate. It has nothing to do with the agreement which has already been made.

In these circumstances, I respectfully submit that the hon. member for Ottawa-Vanier (Mr. Gauthier) might be recognized later on but that we must first comply with the earlier agreement.

Mr. Nielsen: That is correct.

Madam Speaker: That is exactly what I had understood, even though the hon. President of the Privy Council (Mr. Pinard) has made it quite clear. Certain conditions have been discussed, namely that the speeches be shortened and that the House agree to a number of things. That is why I did not officially ask the House if this were to be made an order. I can do so now. Does the House wish for the proposals explained by the hon. President of the Privy Council to be made an order of the House?

Some hon. Members: Agreed.

Mr. Gauthier: Madam Speaker, I simply wish to co-operate with the House. I do not want to delay the proceedings, but I have the clear impression that I never heard any public announcement of an agreement by one of the three negotiators. I had been recognized, but I am willing to let the hon. member for Cowichan-Malahat-The Islands (Mr. Manly) speak before me. However, I reserve the right to speak after him or as soon as I can be recognized.

Madam Speaker: I thank the hon. member for yielding with good grace. The situation has not been clearly explained or understood. I tried to clairfy matters by asking that question just now. It seems to me that the reply was very clear and that the House now wishes to hear the hon. member for Cowichan-Malahat-The Islands. I certainly hope that the hon. member for Ottawa-Vanier (Mr. Gauthier) will have an opportunity to express his views.

[*English*]

Mr. Jim Manly (Cowichan-Malahat-The Islands): Madam Speaker, I should like to thank hon. members for their courtesy in affording me the opportunity to speak at this time.

Last January when the aboriginal rights clause was first accepted by the constitutional committee, everyone present regarded it as a great step forward for the Indian, Inuit and Metis peoples of Canada. While joining in the general euphoria of the moment, at that time I said that members of the New Democratic Party would be looking very closely at

the amending formula for that section. Subsequently, the Leader of the New Democratic Party, the hon. member for Oshawa (Mr. Broadbent), obtained a promise from the government that the aboriginal and treaty rights clause would be fully entrenched, as it was, in Section 55(c) of the resolution which was referred to the Supreme Court of Canada.

On Tuesday of this week the Minister of Indian Affairs and Northern Development (Mr. Munro) moved an amendment to include an aboriginal and treaty rights clause, but he did not include any formula for entrenchment or amendment. In the absence of any such formula the aboriginal people in the provinces are at the mercy of Section 42. Under that section those rights could be altered, amended or even extinguished by bilateral action of the federal government and individual provinces. Aboriginal rights in the Yukon and Northwest Territories could be altered or extinguished by the federal government acting unilaterally.

It is in this context that I wish to move an important amendment. I move, seconded by the hon. member for Vancouver-Kingsway (Mr. Waddell):

That the motion of the Minister of Indian Affairs and Northern Development be amended by adding thereto after Section 35(2) the following:

35(3) An amendment to the Constitution of Canada in relation to the rights of the aboriginal peoples of Canada set out in this part may be made by proclamation issued by the Governor General under the great seal of Canada only in accordance with the following procedure:

(a) In the Yukon and Northwest Territories, when so authorized by resolution of a two-thirds majority vote in the Senate and House of Commons and with the consent of a majority of each of the aboriginal peoples so affected;

(b) In the provinces, when so authorized in accordance with Section 41 and with the consent of a majority of each of the aborignal peoples so affected.

(4) For the purposes referred to in Subsection 3 consent of the aboriginal peoples shall be obtained by a procedure determined by the Government of Canada and the aboriginal peoples of Canada.

For the record, Mr. Speaker, the minister's amendment appears on page 40 of today's Order Paper.

In assessing the importance of this amendment and the need for it, let us begin by reviewing the process we have followed thus far. All of us remember that last October, when the constitutional resolution was first tabled in this House, there was a completely inadequate recognition of aboriginal and treaty rights. The Charter of Rights and Freedoms simply said that nothing would take away rights or freedoms that pertained to the native peoples of Canada. There was absolutely no positive recognition of what those rights might be.

We are aware of the Prime Minister's opposition to the recognition of aboriginal rights. In 1969 he said that, in his opinion, there was no such thing as aboriginal rights. The split decision of the Supreme Court of Canada regarding the case of the Nishgas in northern Brisith Columbia pointed out that there was very substantial legal opinion to the contrary, and he had to admit that maybe these people have more rights than he thought. As a result, the government came forward with a land claims policy but the narrow legalistic basis of this policy made it very difficult for many people to submit their claims and have them recognized.

In a memo submitted over the signature of the Minister of Indian Affairs and Northern Development there is a section entitled "Native Title Superseded by Law" which reads as follows:

It appears from an extensive historical and legal review that in settled areas of British Columbia, southern Quebec and Nova Scotia, native title has been superseded by law and as a consequence there is no basis under the 1973 policy for negotiating claims settlements in these areas.

This is the reality under which the native peoples have had to try to negotiate their settlements.

Last November I asked the Prime Minister (Mr. Trudeau) if it were not possible to have a clause put in the constitutional resolution that would recognize aboriginal and treaty rights. In his answer he indicated very clearly his own opposition to that kind of recognition.

● (1540)

It seems that the Prime Minister delights in the fact that not all Indian, Inuit and Metis leaders are in perfect agreement concerning rights. He is constantly using this as an excuse for refusing to deal honestly with their concerns, instead of taking a constructive leadership role in bringing these people together, helping them to sort out their priorities and major concerns which could perhaps mesh with the government's concerns. The Prime Minister has delighted in his role as lord of disunity.

In any event, the resolution was referred to the constitutional committee. At that time representatives of different bands, tribal councils and provincial and national organizations came before the committee requesting recognition and entrenchment of their rights. As I said earlier, the government heard and responded to those on January 30. It was a high moment for all people in that committee who were present when a clause was finally inserted into the constitutional proposal which recognized and affirmed the aboriginal and treaty rights of the aboriginal peoples of Canada.

However, the aboriginal peoples were not completely satisfied. They wanted a consent clause. It was not that they wanted Clause 34, as it was, to be removed from that proposal; rather, they wanted to go further. They wanted a clause stating that these rights could only be changed or amended with their consent. I ask, was their concern somehow un-Canadian, irrational or out of line?

In recent months we have seen that the provinces are very concerned about their role in the amending formula. The amending formula in the earlier constitutional proposal was acceptable to many hon. members in this House. We felt that it was fair and reasonably flexible. However, it was not acceptable to the majority of the provinces in 1981, even though it had been ten years earlier. Therefore, the provinces went back to the federal government. They lobbied and they got a different amending formula.

If it was right for the provinces to insist upon an amending formula acceptable to them, surely it was a legitimate act for the aboriginal peoples to insist on an amending formula which was acceptable to them and which would protect their rights.

Some hon. Members: Hear, hear!

Mr. Manly: The New Democratic Party has always supported and worked for such a clause. We would like to see that, and that is the purpose of our amendment today. The aboriginal people have no sound reason to trust their rights either to the federal or the provincial governments. They want and need all possible protection because they can look back on a history of 440 years of lies, deceptions and broken promises in Canada.

When Jacques Cartier kidnapped Donnacona and other Iroquois and took them to France, he began the long, unsuccessful policy of trying to assimilate the Indian people. When he returned to Canada in 1541, all the Indians who had gone to France had died. Instead of admitting this, Cartier lied and told the other Iroquois that their relatives were living like lords in France and did not want to return. This was the first recorded lie to Canada's aboriginal people. It was the first lie, but absolutely not the last. A cynic might suggest that Jacques Cartier laid the two cornerstones of Canadian Indian policy: forced assimilation and lies.

I would like to give two recent examples showing why the Indian people feel they cannot trust the government. First of all, let us look at the question of the B.C. Indian cut-off lands. Back in the early years of this century, the British Columbia government and the federal government appointed a joint commission known as the McKenna-McBride commission to look into the size of Indian reserves in British Columbia. One of the important conditions was that no changes were to be made in the size of reserves without Indian consent. That was contained in the terms of reference. However, in actual fact thousands of acres of prime land were taken away without such consent, affecting 34 reserves and 22 bands in British Columbia. The government's position has been that this act was legal because it was done by legally formalized orders in council.

The Indian people have struggled for 60 years in an attempt to obtain justice on the B.C. cut-off lands issue, and it is still not resolved. That does not give them any confidence in either the federal government or the provincial government of British Columbia.

Second, we can recall that just a year and a half ago the Prime Minister promised that native leaders would be able to participate in first ministers' conferences in all matters directly relating to them. A section in the constitutional resolution was even tabled and sent to the Supreme Court of Canada last year, and it is still there in the present resolution. It states that native leaders, leaders of the aboriginal peoples, would be invited to the first ministers' conference to participate in discussions respecting constitutional matters which would directly affect the aboriginal peoples. That was the very explicit intent.

When the first ministers' conference was held earlier this month, where were the leaders of the aboriginal peoples. They were waiting in Ottawa. They asked to be present but they were not invited. They were not invited to the kitchen where all the deals were made. They were not even invited to the main conference room to get a chance to state their case. As a matter of fact, there was no public discussion of aboriginal rights at that meeting. The only exception was Saskatchewan, which tabled a counter proposal including the aboriginal rights proposal.

Perhaps we get an idea of what went on when we look at British Columbia's attitude. The Premier of British Columbia first said that the aboriginal rights clause was left out by oversight and that it had not really been discussed at all. However, last week he said: "Yes, we would be willing to reinsert the aboriginal and treaty rights clause if the federal government were willing to pick up the costs". In other words, it all boils down to money. As far as the Social Credit government of British Columbia is concerned, the matter of human rights has a price tag on it.

Right now there are several land claims outstanding in British Columbia. In addition to the Nishga claim, there are the claims of the Gitskan Carrier band, the Kitwancool band, the Association of United Tahltans and the Haisla Nation. The land claims of all of these people have been accepted by the Office of Native Claims for negotiation, subject to provincial participation. However, the province has not indicated any willingness to participate. Other B.C. land claims from the Haida, the Heiltsuk and the Nuu Chalh Nhuh are awaiting word as to their acceptance and they will face the same stone wall attitude from the provincial government, which does not want to recognize aboriginal rights because it will cost money. It will take away from its revenue.

British Columbia and other provinces are worried about the costs of recognizing aboriginal rights. I submit that it is a proper part of their job. There is a price tag to the recognition of rights, and provinces, very naturally, must consider the cost. However, we must condemn the cynical attitude of Premier Bennett and the Social Credit government, as they would only consent to an aboriginal rights clause if the federal government were willing to pick up the tab. Certainly there is a price and we must consider it; but we also must consider the opposite, which is a denial of basic justice. Perhaps the government of British Columbia would remember the fact that it has benefited from the wealth of the land taken from the Indian people of British Columbia. Other governments and provinces have benefited from the land which has been taken.

It is now unacceptable to say that a government will only recognize rights if it can be scot-free of any expense. However, in a larger sense, I believe that we need to move beyond the question of cost. In addition to considering the costs of this program, we need to consider the possibilities. We should ask what contribution the aboriginal peoples of Canada can make to our society if we give them half a chance. What possibilities are there to enrich everybody's life if these people are enabled take their full place in Canadian society? Already they have made great contributions to our society, but they have been stymied and hemmed in by lack of resources and the denial of their rights.

• (1550)

In concluding, I simply want to remind all hon. members of the importance of this act of patriation. I want to remind hon. members that the relationship of the Crown to the aboriginal peoples of Canada is a relationship that predates the relationship of the federal government to the provincial governments. It is important, therefore, that this relationship be placed on a sound basis within our Constitution. If we do not do that, we will have a Constitution that is tainted. We will have a Constitution that has written into it a denial of basic justice.

It was good to see what happened last week when people demanded that aboriginal rights be put back into the Constitution. However, we would have been happier if the word "existing" had not been included. But even more than that, we want to see protection of those rights and we want to see those rights guaranteed to the Indian people, the Metis people and the Inuit people of Canada with an amending formula that protects them and is not at the mercy of unilateral action by the federal government or at the mercy of bilateral action by the federal government and one provincial government. We want to see an amendment which gives these people a say in the continuation of their rights and any change contemplated to their rights.

I urge all hon. members to join members of our party in supporting this very important amendment.

Mr. McRae: Mr. Speaker, would the hon. member accept just one question?

Mr. Manly: Yes, Mr. Speaker.

Mr. McRae: Mr. Speaker, I feel very happy about this amendment but I have one difficulty about putting something into a Constitution or into a very important legal document without consultation. Does the hon. member have a way to get consultation and either agreement or disagreement from the native people? The hon. member mentioned three groups, but I think we should add a fourth and separate the status from the non-status Indians. How do we legally get consultation and some kind of agreement or disagreement from the native people? Does the hon. member have a way to approach this?

Mr. Manly: Mr. Speaker, in the constitutional proposal there is provision for the Prime Minister to invite leaders of the aboriginal peoples to meet with the first ministers. I presume that in a similar way the Prime Minister could meet with the leaders and draw up some acceptable formula which would enable the government to have the aboriginal peoples declare their interests on this aspect. The native peoples have different organizations. For instance, the Indian people are organized into bands by the federal government. Perhaps in that area it might be the band councils who would be responsible. The Metis people are organized differently and perhaps in that instance a referendum might be required.

In my view, this is a matter to be negotiated, as with the section that says there will be meetings between the Prime Minister and the leaders of the aboriginal peoples to determine what future rights they may have.

Hon. Jake Epp (Provencher): Mr. Speaker, before I begin to speak on the amendment to the amendment proposed by the hon. member for Cowichan-Malahat-The Islands (Mr. Manly), I must say to members of the House that this is quite a way to write a Constitution.

We have here a proposal. I am not trying to reflect on the member's intentions; I know the hon. member and I believe his intentions are honourable, but it is difficult, in debating the Constitution, to address this issue and be able to resolve it in half an hour or less. The cudgel sort of hangs over our head that if we cannot do it in half an hour or less, then we better get on to the next issue. That is just not the way to write a Constitution.

Frankly, I abhor the way this is being done. It is not fair to the people—not to members of the House because that is by the by, so to speak. I suggest that we spend a little more time and thought on a Constitution that Canadians will have to live and work with in the future. My comments will be made with that in mind.

It almost reminds me of the kind of situation that took place in the constitutional committee. We would have a proposal put to us and within five minutes we were supposed not only to debate the merits of it but also declare them. What we did, which I think was acceptable to all members of the committee, was to put forward our whole body of amendments. Then members could look at them over a period of time, they could get back to their caucuses, discuss them and come up with rational debate as to the merits or lack thereof on any given issue.

Again I say to the hon. member that in making my comments I am not in any way trying to reflect on his method, it was the only avenue he had. But I suggest to him and to all members of the House that what he suggested is not the best way to approach this whole question. I am not talking about the native questions but rather the matter of Constitution-making.

Having said that, the subamendment of the honourable member has a number of aspects in it which I believe go directly to the heart of the accord. That creates difficulties for all members of this House who want to see the accord preserved and eventually the final vote taken. The subamendment provides, following the salutation:

> In the Yukon and the Northwest Territories, when so authorized by resolution of a two-thirds majority vote in the Senate and House of Commons—

I will just stop there for a minute. The amending formula in the resolution that is before us, specifically Section 37(1), sets out the procedure for amending the Constitution of Canada, which is not a two thirds majority in the House of Commons or in the Senate. What is needed is a resolution of the Senate and the House of Commons, which I take to understand to mean 50 per cent plus one. That, I believe, is how this section is being interpreted. Yet for this purpose, and for this purpose only, there is to be a two thirds majority. That is simply

inconsistent with the resolution before us and the agreement that was made between the nine provinces and the Prime Minister of Canada. In that sense I do not believe we can accept the words "a two thirds majority". That is inconsistent with the accord before us.

Additionally, if we take a look at the honourable member's proposed Section 35(3)(a), after the words "of a two thirds majority vote in the Senate and House of Commons" it goes on to say:

—and with the consent of a majority of each of the aboriginal peoples so affected—

During the time that I held the responsibility of minister of Indian Affairs and Northern Development—I see the honourable member for Notre-Dame-de-Grâce-Lachine East (Mr. Allmand) is in the House and I know that he worked in the same way—we worked with the definition "the peoples involved". That was always difficult to determine. Who were the aboriginal peoples when you got down to the issue of, say, land claims? When you take a look at that section, Mr. Speaker, what would be the result? Consent of the majority of the peoples, that is the aboriginal peoples, but that leaves out the other peoples who live in those territories. While I have no difficulty personally in saying that the aboriginal peoples should be consulted, land claims only in those territories goes beyond just affecting the aboriginal peoples. These claims will affect the future of those territories and, therefore, the future and the lives of all people living in those territories.

● (1600)

If I could just give a practical example, Mr. Speaker, at the present time negotiations for a Yukon land claim are under way. I am pleased that those negotiations are going well. While the negotiations directly involve the Government of Canada and the aboriginal peoples of the Yukon through the umbrella of the Council of Yukon Indians, the legislative assembly of the Yukon, while not being directly involved in the decision-making in the negotiations, is an integral part of the negotiations. Everyone in the Yukon knows that if that land claim is to be successful it will require an agreement. By that I do not mean a formal agreement but a mental agreement or an understanding that in fact the land claim will be to the benefit not only of the aboriginal peoples of the Yukon, but will represent another step forward in reaching the possibility of the Yukon taking its rightful place in the Canadian family.

With all due respect to the hon. member, I see some real difficulties that will be created, not only for the Yukon at this time but as well for the Yukon and the Northwest Territories in the future. While there is an aboriginal majority in the Northwest Territories which, by the way, is reflected in the legislative assembly of the Northwest Territories, problems will exist in terms of the definition of who aboriginal peoples are; and that was a factor, for example, in the COPE agreement in principle. There was a problem there.

There is a problem, for example, in that people who are living in the Northwest Territories who are covered by the COPE agreement in principle are the beneficiaries of the Alaska claim. I am not trying to say these people are not entitled under these claims, but I am trying to point out to you, Mr. Speaker, and to all members of this House, that this amendment goes very deeply to the natural development and evolution that is now taking place in Canada north of 60. We are deeply concerned that we are almost inserting ourselves into the centre of that process by this amendment.

I said I would not be long, Mr. Speaker, and I do not want to take advantage of the patience the House has shown on these issues, but if you look at Section 41, to which the second part of the amendment refers, you will see that the amendment states in part:

In the provinces, when so authorized in accordance with Section 41 and with the consent of a majority of each of the aboriginal peoples so affected—

I will not deal with the last part relating to the aboriginal peoples so affected, but Section 41 relates in part to the creation of new provinces; that is, the extension of the boundaries of the existing provinces and the creation of new provinces in the territories. It is the opinion and position of our party that we should go back to the position of 1871.

If you look at the resolution before us, Schedule I, the amendments of 1871, you will see that all that the resolution before us does is change the citation of the 1871 amendment. What it leaves in place is that the creation of new provinces in the territories shall be under the jurisdiction and responsibility of the federal government. That is why, when the hon. member for Yukon (Mr. Nielsen) and other members of our party speak later on, we want to refer back to Section 41(e) and (f), and that is why we would like to see those parts taken out. If we were to vote for this amendment we would in fact be voting against that principle; that is, that we feel this matter should fall within federal jurisdiction rather than a shared jurisdiction between the federal government and the provinces of Canada.

Lastly, if you will just bear with me for one more minute, Mr. Speaker, if one goes back to the point the hon. member for Cowichan-Malahat-The Islands made—and he made a valid point when the talked about the aboriginal people feeling frustration in the sense that they had not received the rights they felt they had been given—you will note his reference to the cut-off lands in British Columbia. I want to tell him that during the time I had responsibility as minister we tried to get also question of those cut-off lands resolved. Quite frankly, I thought we had almost done so, but I regret this still has not been accomplished. I sincerely believe it was just a matter of pushing this over the side, so to speak, and getting it done. I agree with the member that it has to be done and it should have been done. However, with all respect, I do not see how his amendment would necessarily speed up that process at this stage. I think there has to be moral suasion on the part of all of us to encourage that kind of agreement.

Moving now to Section 36, which calls for a federal-provincial conference to be participated in by the federal government, the provincial governments and the aboriginal peoples, Section 36(2) reads:

The conference convened under subsection (1) shall have included in its agenda an item respecting constitutional matters that directly affect the aborigi-

nal peoples of Canada, including the identification and definition of the rights of those peoples to be included in the Constitution of Canada, and the Prime Minister of Canada shall invite representatives of those peoples to participate in the discussions on that item.

I know, with all the history we have that has taken us to this point, that an argument can be made as to whether the native peoples were treated fairly. I think hon. members in this House have expressed the belief that they were not. We are now at the point where we have this provision in the resolution, and quite frankly good faith has to prevail. What is needed is that definition which is called for in that item on the proposed agenda of that conference, and which I suggest is also called for by the hon. member's amendment. I have pointed out that there will be difficulty when this conference starts this defining process, and it will take time.

I spoke to some native people yesterday and pointed out that while I accept the argument that wrongs have been done in the past—and I frankly do not think members of this House want to be party to more wrongs—it is now incumbent upon native leaders, the federal government, provincial governments and members of this house to put together an agenda for that conference whereby not only will the definition be discussed but it will finally be concluded. We must take time to do that adequately and properly.

If I could issue one warning to the federal government, it would be this. I see that conference taking place with the federal government acting not only as chairman, but also as a participant, taking its responsibilities under Section 91(2)(iv) as trustee. This will leave the aboriginal peoples to make their claims not only to the provinces, but to the federal government. The federal government will be there not only in the role of chairman, but also as defending the rights of the aboriginal peoples, fulfilling the responsibilities every federal government has had to accept.

That is how I interpret Section 36, and while I commend the hon. member for the sincerity I believe he had in putting forward the subamendment, I suggest not only is it premature but that it also violates the Accord; and, frankly, I think it could do more damage than good in terms of present negotiations.

Mr. Deputy Speaker: Order. The Chair has had an opportunity to examine the subamendment offered by the hon. member for Cowichan-Malahat-The Islands (Mr. Manly). The Chair can see a serious procedural problem in so far as the subamendment proposes an amending procedure in a part of the resolution dealing with aboriginal rights. It ought properly to be offered as an amendment in Part IV of the proposed act under the heading "Procedure for Amending Constitution of Canada". I must therefore decline to accept the subamendment offered and suggest that it be moved at a later time.

• (1610)

Is the House ready for the question?

Some hon. Members: Question.

Mr. Deputy Speaker: The question is on the amendment. All those in favour of the amendment will please say yea.

Some hon. Members: Yea.

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

In my opinion the yeas have it.

And more than five members having risen:

Mr. Deputy Speaker: Call in the members.

The House divided on the amendment (Mr. Munro Hamilton East), which was agreed to on the following division:

(*Division No. 127*)

YEAS

Messrs.

Allmand
Althouse
Andre
Anguish
Appolloni (Mrs.)
Axworthy
Bachand
Baker (Gander-Twillingate)
Baker (Nepean-Carleton)
Beatty
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Benjamin
Berger
Blackburn
Blaikie
Blais
Blaker
Bradley
Breau
Broadbent
Bujold
Burghardt
Bussières
Caccia
Campbell (Miss) (South West Nova)
Campbell (Cardigan)
Cardiff
Carney (Miss)
Chénier
Chrétien
Clarke (Vancouver Quadra)
Collenette
Comtois
Cooper
Corbett
Corbin
Corriveau
Cossitt
Côté (Mrs.)
Cousineau
Crombie
Crosbie (St. John's West)
Crosby (Halifax West)
Crouse
Cyr
Dantzer
Daudlin
Dawson
Deans
De Bané
de Corneille
de Jong
Demers
Deniger
Dingwall
Dinsdale
Dion
Dionne (Chicoutimi)
Dionne (Northumberland-Miramichi)
Dubois
Duclos
Dupont
Dupras
Elzinga
Epp
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Forrestall
Foster
Fox
Francis
Fraser
Fretz
Frith
Fulton
Gamble
Garant
Gass
Gauthier
Gimaïel
Gingras
Gourde (Lévis)
Gray
Guilbault
Gurbin
Gustafson
Hamilton (Qu'Appelle-Moose Mountain)
Hamilton (Swift Current-Maple Creek)
Hargrave
Harquail
Hawkes
Heap
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hnatyshyn
Hopkins
Hovdebo
Howie
Hudecki
Huntington
Irwin
Ittinuar
Jelinek
Jewett (Miss)
Johnston
Joyal
Kaplan
Keeper
Kelly
Kilgour
Killens (Mrs.)
King
Lachance
Lajoie
Lambert
Lamontagne
Landers
Lang
Laniel
Lapierre
Lapointe (Charlevoix)
Lapointe (Beauce)
La Salle
Lawrence
LeBlanc
Lefebvre
Lonsdale
Lumley
MacBain
MacDonald (Miss)
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Malone
Maltais
Manly
Marceau
Massé
Masters
Mayer
Mazankowski
McCauley
McCuish
McDermid
McGrath
McKnight
McMillan
McRae
Miller
Mitchell (Mrs.)
Munro (Esquimalt-Saanich)
Munro (Hamilton East)

Messrs.

Murphy
Nielsen
Nowlan
Nystrom
Oberle
Ogle
Olivier
Orlikow
Ouellet
Paproski
Parent
Parker
Patterson
Pelletier
Penner
Peterson
Pinard
Portelance
Prud'homme
Rae
Regan
Reid (St. Catharines)
Reid (Kenora-Rainy River)
Roberts
Robinson (Burnaby)
Robinson (Etobicoke-Lakeshore)
Roche
Rompkey
Rose
Rossi
Roy
Sargeant
Savard
Schellenberger
Schroder
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Shields
Siddon
Simmons
Skelly
Smith
Tardif
Taylor
Tessier
Thacker
Thomson
Tobin
Tousignant
Turner
Veillette
Waddell
Weatherhead
Wenman
Whelan
Wise
Wright
Yanakis
Young
Yurko—222.

NAYS

Messrs.

Nil

● (1640)

[*Translation*]

Madam Speaker: I declare the amendment carried.

Mr. Pinard: Madam Speaker, I wish to inform the House of an agreement reached by the party representatives, and I request that you ask for the unanimous consent of the House to ratify it. First, for the remainder of the debate on the resolution moved by the Minister of Justice, all speeches, whether on the amendments, subamendments or the main resolution, will be limited to 20 minutes, except that members moving an amendment or a subamendment will be entitled to 40 minutes.

We have also agreed to proceed in such a way as to be able ultimately to vote, at four o'clock tomorrow, on the amendment that the hon. member for the Yukon (Mr. Nielsen) intends to move in a few moments. We have also agreed that if a Conservative member introduces an amendment regarding fiscal compensation, the floor would then be given to the Leader of the New Democratic Party, if he is in the House. We also agree that after voting on the amendment moved by the hon. member for the Yukon, the floor be given to a member of the Progressive Conservative Party. I think that just about covers the main points of the agreement we have reached.

● (1650)

[*English*]

Mr. Nielsen: Madam Speaker, I may not have received the entire translation. It is my understanding that part of the exception of the 20-minute rule would also be the leaders of the parties—

Mr. Pinard: Yes.

Mr. Nielsen: —and that the subject matter of the amendment to be moved may be displaced by another—and I made that point. It may not be the fiscal compensation amendment but another one.

Mr. Deans: Madam Speaker, in the event that it turns out that the Conservative Party does not move the fiscal compensation amendment, we reserve the right to move the amendment that would normally have flowed from that amendment as a subamendment to the amendment.

[*Translation*]

Madam Speaker: Is there unanimous consent?

Some hon. Members: Agreed.

Madam Speaker: Carried.

[*English*]

Hon. Erik Nielsen (Yukon): Madam Speaker, just so that we know what we are talking about in this debate and so that I do not forget to move the amendment when I come to the end of my remarks, I move, seconded by the hon. member for Provencher (Mr. Epp):

That the proposed Constitution Act, 1981 be amended by striking out paragraphs (e) and (f) of subsection 41(1).

I have provided copies of the amendment to both the government House leader and the hon. member for Hamilton Mountain (Mr. Deans).

While the Minister of Indian Affairs and Northern Development (Mr. Munro) is in his seat, I want to set the record straight on something that he said yesterday when introducing the amendment which has just been disposed of. During the debate he said the leader of the government in the Yukon had, to a degree, supported the inclusion of those two subparagraphs, the subject of my amendment, in the resolution. At the time I believe I characteristically, and perhaps discourteously, shouted across the aisle "Rubbish". I have since established that that is precisely what it was.

As the minister knows, the Northwest Territories Legislative Assembly passed a resolution. For the sake of placing it on record—

The Acting Speaker (Mr. Ethier): Order, please. If hon. members want to hold private meetings, perhaps they could retire behind the curtains and give the hon. member who has the floor a chance to be heard.

Mr. Nielsen: The position of that assembly is stated as follows:

The Legislative Assembly of the Northwest Territories seeks the following amendments to the proposed Constitution of Canada in recognition of the special responsibility of the Government of Canada for the native peoples of the Northwest Territories and the exclusive jurisdiction of the Government of Canada over the Territories.

The relevant paragraph is (2), which reads as follows:

The Legislative Assembly seeks the deletion of Clause 9(e)—

That would be 41(1)(e) of the resolution.

—of the amending formula in the proposed Constitution which provides for the extension of existing provinces into the territories. The Legislative Assembly sees this authority as an affront to its legislative authority and an infringement of the democratic rights of the people of the Northwest Territories.

Some hon. Members: Order, order.

The Acting Speaker (Mr. Ethier): Order, please. The hon. member for the Yukon (Mr. Nielsen).

Mr. Nielsen: Mr. Speaker, there have been times in the past when I have complained about the sound system. Now I am complaining that it is not loud enough for me to be heard over the hubbub that is going on and the private conversations being held around the House. The matter we are debating is of deep concern to Canadians living above 60. I would be very grateful if hon. members would be courteous enough to allow those members who wish to listen to what I have to say to do so.

Some hon. Members: Hear, hear!

Mr. Nielsen: I will continue:

The Legislative Assembly requests that the power to alter boundaries be exercised as presently provided under the British North America Act, 1871.

(3) The Legislative Assembly also seeks the deletion of Clause 9(f)—

That would be 41(1)(f) of the resolution before the House.

—from the amending formula in the proposed Constitution. This clause provides that notwithstanding any other law or practice, the establishment of new provinces can only be achieved with the consent of Canada and at least two thirds of the provinces whose total population exceeds 50 per cent of the population of Canada. The Legislative Assembly's position is that the right to establish new provinces out of existing territories is vested in the federal Parliament by virtue of the British North America Act 1871 and this power should continue to reside in the Parliament of Canada.

In his remarks yesterday the minister indicated that the leader of the government in the Yukon was somehow in favour, to a degree, of the retention of these subparagraphs in the resolution. Today I received the text of the resolution passed unanimously in the Yukon Legislative Assembly by all members of the government party, all members of the official opposition, that is, the NDP in the Assembly, and, I might add, all members of the Liberal party in the Assembly.

The resolution passed November 23, 1981, some two days before the minister spoke, reads as follows:

MOVED BY: The Honourable C. W. Pearson
Leader of the Yukon Legislative Assembly

SECONDED BY: The Honourable Howard Tracey
Minister of Justice

That the Yukon Legislative Assembly supports the efforts of the Legislative Assembly of the Northwest Territories to have Clauses 41(1)(e) and 41(1)(f) of the Constitution Act 1981 now before the House of Commons removed, and that this Legislature further seeks the inclusion in the Constitution Act 1981 of a Clause that will provide for the capability of new provinces to be created under similar circumstances to the BNA Act of 1871.

In other words, they do not want those subparagraphs in the Constitution.

Some hon. Members: Hear, hear!

Mr. Nielsen: I hope the minister will accept the official record of the Yukon Legislative Assembly and of the Northwest Territories Legislative Assembly in establishing the position of those bodies with respect to the subject matter of this amendment.

The native peoples also support the deletion of these two subparagraphs from the constitutional resolution. That is the position of the Council of Yukon Indians and it is the position of the native organizations of the Northwest Territories.

I should like to quote from a position paper submitted by the Aboriginal Rights Coalition on November 12, 1981. On page 2, paragraph (9) reads as follows:

The future aspirations of aboriginal peoples towards provincehood in the Northwest and Yukon Territories must not be made subject to provincial consent.

I think that spells out their position very clearly.

We have just finished voting on an amendment introduced by the minister which reinstates aboriginal rights in our Constitution and describes those rights as existing rights. The native peoples of both territories feel they have an existing right, as they say in the paragraph 9 that I just read, to provincehood in the Northwest Territories and Yukon Territory. They have an existing right which is not subject to provincial consent.

Some hon. Members: Hear, hear!

PROCEEDINGS ON ADJOURNMENT MOTION

[*Translation*]

The Acting Speaker (Mr. Ethier): Order, It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Grey-Simcoe (Mr. Mitges)—Veterans Affairs—Processing of applications for disability pensions b) Terms of eligibility; the hon. member for Hamilton-Wentworth (Mr. Scott)—Hazardous substances—Urea formaldehyde foam insulation—Compensation sought for home owners b) Request for government advice; the hon. member for Kootenay East-Revelstoke—Railways—Employees' hours of work.

[*English*]

It being five o'clock, the House will now proceed to the consideration of private members' business as listed on today's Order Paper, namely private bills, notices of motions (papers), public bills.

There being no items on the Order Paper under private bills, the House will proceed to notices of motions (papers). Does

the House agree to stand all items under the heading of notices of motions (papers)?

Some hon. Members: Agreed.

PRIVATE MEMBERS' PUBLIC BILLS

[*English*]

The Acting Speaker (Mr. Ethier): Shall all orders preceding No. 62 be allowed to stand by unanimous consent?

Some hon. Members: Agreed.

* * *

● (1700)

CANADA ELECTIONS ACT

AMENDMENT RESPECTING PUBLICATION OF OPINION POLL RESULTS

Mr. Robert C. Coates (Cumberland-Colchester) moved that Bill C-262, to amend the Canada Elections Act (publication of the result of opinion polls), be read the second time and referred to the Standing Committee on Privileges and Elections.

He said: Mr. Speaker, this is certainly not the first time I have brought a bill before this House on this particular subject. As a matter of fact, it is at least the sixth time that this particular bill has been before Parliament in my name and has been debated. Prior to that, other hon. members in this House had felt the same way I feel about the publication of polls during election campaigns.

On one occasion, the government did take some specific action. My bill, and also one standing in the name of another hon. member were referred to the broadcasting committee, where we had a very long and useful discussion. At that time the committee came in with a recommendation that action be taken by the government which would eliminate the publication of opinion polls during actual election campaigns. The government did not move on that recommendation.

What I hope we might accomplish today, as far as this particular piece of legislation is concerned, is that it be referred to the appropriate standing committee of the House of Commons. The committee could then discuss the matter and come forth with a decision, expressing its views in relation to the matter of polls. If there were a supportive view from that committee regarding the banning of the publication of polls during election campaigns, appropriate legislation to put it into effect might then be forthcoming from the government.

At this moment, the only province in Canada which bans the publication of public opinion polls during election campaigns is the province of British Columbia. I have often used the example of the election of the Bennett government in British Columbia which was predicted by no one because there were no polls to give guidance to the great fourth estate in coming up with conclusions.

However, that is only one example, and it is not the reason I believe public opinion polls should be banned from public discussion during election campaigns. What really gives me great concern is not the actual raw information which comes from polls, but the pollution resulting from experts on the media who speak only about numbers and never about issues during election campaigns. They put people into the position of playing numbers games, wondering who is ahead and who says who is ahead.

The greatest travesty of poll results which has ever been perpetrated upon the public was evident in the last election campaign in the United States. Pollsters in that country were on every network of radio and television, and reported in every newspaper one could imagine. They told the people of that country that the election between Ronald Reagan and President Jimmy Carter would be a cliff-hanger, too close to call, with less than 1 per cent dividing the opinions of the public. On election day, the end result was that the people in California did not have to bother going to the polls because the election was over before they even got there. For instance, the ABC network carried out a raw poll almost as soon as the TV debate was concluded. The poll stated more than just who the public felt was the winner of the debate; it stated that Ronald Reagan was the people's choice. However, even with all of this evidence, on November 3, the day before the election, the public was told that it was a toss-up, with Ronald Reagan one point ahead of Jimmy Carter. As it turned out, Ronald Reagan was not one point ahead of Jimmy Carter the next evening, he was nine points ahead. Even with all of the protectors the pollsters put into their predictions, they cannot, in justice, explain away the misdirection they gave to the United States public.

While I have never suggested the art of polling should be banned, nor that politicians and political parties should be deterred from using them at any time, I believe more strongly than ever that from the date an election campaign officially begins until it is finished, there should be no polling information made available to the public. What a change it would be for the electorate to make decisions based on leadership and programs rather than percentages!

Some hon. Members: Hear, hear!

Mr. Coates: For years John Diefenbaker said that polls were for dogs, and they knew best how to use them. That is part of the truth. Winston Churchill also had a very low opinion of polls. He said, "Oh that God would deliver us from the opinion polls; if only people would make decisions on rightness and wrongness rather than public opinion". And so right he was.

An illustration of my concern is what happened to us in the last general election. My leader, the right hon. member for Yellowhead (Mr. Clark), phoned me during that campaign because he knew I had spoken out against the publication of polls. He sought my assurance that I would reintroduce the

bill, as I had on many occasions in the past, because of the atrocities being committed against our party by all the instant experts in the media who knew what would happen. Of course, even in that election campaign, it did not happen.

In a country as mixed up as Canada, considering the different political persuasions of people in various regions, the publication of opinion polls could create terrible aberrations in poll results. For instance, in the last election campaign, where 74 Liberal members were elected in the province of Quebec, polling something like 70 per cent of the popular vote, how could one put that mix into a national poll and get any kind of a realistic assessment of what is happening in the country? One could not.

I was impressed with the fact that during the election campaign the Prime Minister (Mr. Trudeau), himself, although I do not know his exact words, indicated his unhappiness with the manipulation of poll results to favour the instant experts who were telling the people what the results meant. We should really want to get down to discussing the democratic issues. The newspapers might jump on us and say we are trying to infringe on the freedom of the press if we prevent publication of poll results.

However, for one reason or another, people believe pollsters to be experts concerning what is happening, what will happen, how people will vote and how they think in the country. They sit there and talk about what is going on. I remember one election which was very close, I think it was the 1972 election. The CBC put on a program and brought all of its people from across the country. This was done after all advertising had been banned. The program went on the national network. There was no chance for our party to say anything and our party suffered on that particular occasion. These so-called experts from the CBC were polled. Without exception they stated that the Liberal government would be re-elected with a majority. They were all wrong. The government was re-elected but it won a minority and not a majority. There is no doubt in my mind that the intrusion by the media on that program into that election campaign had a major impact on the people who were still uncommitted and still in doubt. There were many doubts in that election campaign.

• (1710)

I do not think there is infringement on the freedom of the press if polls are banned. Instead, the banning of polls will force the reporters, who are being paid to write, is write stories about what is really happening in the country. These reporters will have to go out and do their job rather than rely upon numbers that are produced by one polling organization or the other as to how people are thinking and feeling. Writing is a reporter's job. Reporters should not fall back on the Gallup poll or some other polling organization for the background information they need to write their story. They should be out there among the people finding out what the people think.

If we do not have numbers games and we do not have polls, people will have to be questioned on the issues. When people are questioned on the issues, maybe they will realize what election campaigns are all about. If ever there was an example where issues were not in question, it was the February 1980, federal election campaign. You could not find the Prime Minister (Mr. Trudeau). You could not find out what the policies of the government were going to be either. We know now what they are, but we did not know then and we could not find out. There was nothing to talk about in that election campaign. There was no real debate, but there would have been had it not been for the fact that every week a new poll was released saying that the Conservative Party was 20 points behind, or something like that. That is great encouragement to the public to support our party in a given election campaign!

The shoe, of course, can be on the other foot. The other party can be in the same situation. We would have a much more realistic election campaign if we did not have the interference and intrusion of public opinion polls being released ad infinitum throughout an election campaign. People never get down to the issues while discussing numbers.

I hope this House at the conclusion of this discussion will give some consideration to referring this bill to an appropriate committee of the House so that we can really take a look at what can be done. People who are concerned with the issues can come before the appropriate committee to express their views, whether in relation to the infringement of freedom or whether in relation to the misinterpretation that is given to figures and the way they are determined.

I hope other members will participate in this debate. I hope they will give support at least to referring this bill to the appropriate standing committee of the House.

Mr. Gilbert Parent (Welland): Mr. Speaker, it gives me pleasure to participate in this debate. I might preface my remarks by telling hon. members who are in the House that it is not often that I agree with the hon. member for Cumberland-Colchester (Mr. Coates) but in this case I do. If not for the same reasons, I do agree in principle that the people of Canada in some way can be misled by the pollsters if these pollsters desire to do that.

Some time ago in Toronto I served on a panel. To say that I was one of the more unpopular panelists because of my stand on polls goes virtually without saying. I do not think it is "un-Liberal", if you will, to take this position. Questions that are asked by pollsters many times are so tailored that any kind of response can be elicited.

What would happen to the democratic process if we simply governed by polls? What would be the net effect on the people of Canada? Would this take away all of the incentive and interest for them to look at the issues of the day? Would it preclude any necessity on their part to inform themselves so that they could make intelligent decisions?

I must say to my dismay that polls taken over the years have been remarkably accurate many times. I think it was the hon. member for Cumberland-Colchester who pointed out that in the 1948 American election it was predicted that the Republican candidate would win over the Democrat candidate, but this proved incorrect. However, hon. members will remember

that in 1948 we did not have as much immediate coverage by television. We had radio and newspapers. But television has immediate impact. Television stations take polls immediately after a speech is delivered. This happened not too long ago when a presidential candidate delivered a speech. Instant reaction was portrayed and it was done before people could digest what had been said. The commentators on the spot said the people of the country think this and that. But what they had done was to take a sampling of a few thousand people out of millions of people across the country.

[*Translation*]

And I believe also that with polls carried out in this way, Mr. Speaker, just about any question can be asked. Many times questions asked by pollsters are so tailored that a specific response can be elicited. So with this kind of tool in the hands of pollsters who want to prove a point, the media and private industries can make the public believe anything. And we do have polls. Last week, they held a poll on the Grey Cup game. The team representing Western Canada was supposed to win by some twenty points. After the game, we realized that the score had been a lot closer than the pollsters had wanted us to believe.

[*English*]

I do not believe it is accurate to say that people are not influenced by polls. It would be nice to believe that all of the people of Canada could take the time to inform themselves about the issues on which they should inform themselves, whether it be an election or anything else. The fact is that many times those polls can be so doctored, and I use that term advisedly, as to bring about virtually any point of view the people who are conducting the polls want.

● (1720)

We saw this in respect of the Constitution. One of the questions regarding the Constitution was very simple: "Do you think that the provincial governments and the federal government should agree on a Constitution?" Naturally everyone in Canada would like us all to agree about virtually everything all the time in order to get along and be good fellows. The way that was interpreted was that unless there was agreement we should not go ahead with the Constitution. My opinion from talking to people across Canada is that many people, indeed, were in favour of our proceeding with this constitutional debate.

It is my belief that polls make up the minds of some people in this country, or that some people can be led by polls. In that sense, if that is not a miscarriage of the democratic process, surely it is undue influence of the electorate. They should be able to make up their own minds.

Should we be concerned about the cost of these polls? The cost in terms of dollars is not really that important to me because these polls are conducted by private groups, people who indeed make their living conducting polls and peddling them to whoever wants to read them. One can get polls on virtually everything in this day and age. What about the cost of polls when individuals virtually give up, if not their right, their desire to look into the fundamental issues that are being discussed? This cost in democratic terms is one which is unbearable in any democracy. Would we indeed become a government run by pollsters and, if so, why should the people of a constituency elect a Member of Parliament, a member of a legislative assembly or, indeed, a member of a municipal council if all we have to do is call 200 or 2,000 people at any given time and hold a poll to determine an issue? When these polls involve people who are not as informed as they should be, or people who react on emotion as opposed to thinking the process through, I suggest that the cost is the abrogation of the rights we have and that we must exercise as citizens.

Let me digress for just a bit because I think this has to do with polls. I want to make known my views on the amount of time we take for our elections. I believe the issues can be put forward to the people of Canada in a much shorter time than we now allow. It was suggested during a debate here last spring that perhaps we should have a standing list of voters across Canada rather than making up a list just before election time. I would prefer to have a shorter campaign period than we now have. I would suggest that four weeks from the time a writ is issued would be sufficient, in this day of instant communication across the country, for people to make up their minds.

The hon. member for Cumberland-Colchester said of the 1980 election that the people did not have a chance to bring forward the issues and discuss them thoroughly. I believe he said that "the Prime Minister could not be found". If he meant the Prime Minister of that time, I would agree with him because the then Prime Minister was a member of his own party. I guess we could say the same thing happened in 1979 when we did not have a vote for anyone, but rather a vote against certain things. Perhaps it could be said that people do not win elections, but that elections are lost for whatever reason.

I believe that polls, whatever they may be on, tend to be usurped by the media in order to get people excited. The hon. member pointed out that during the last election campaign the pollsters showed there was a 40-point spread between the parties. Did he say there was a 40-point spread between the parties? He suggested that because of this great spread—and I do not think it was that great—people tended to ask themselves why they should go out and work for the party or the candidate when the result had already been decided. I agree with the hon. member.

It is small wonder that at the last federal election we had 74 per cent or 75 per cent—shall I exaggerate—of the people of Canada exercise their franchise. Why would the people not come out and vote, exercising their democratic right in this country? Were they influenced by the pollsters to the extent they felt that this party was so far ahead and this one so far behind that they need not take the time to go out and vote, that it would mean nothing because the election had already been decided? The election had been decided then by whom?

Was it decided by the pollsters or by the media? I suggest that is unacceptable in a democratic society.

Let me point out also with regard to elections that I would personally be in favour of what they do in Australia. There, if you vote you get a certain tax rebate; I believe that is how they work it. If you do not vote, then whatever taxes you have to pay must be paid and there is no rebate at all. This encourages, and some would even say it forces, the people to get out and exercise their right to vote. This would give us a truer picture of the feelings of the people at the time of an election.

I am opposed to polls being published during an election campaign. My wish is that there would be no polls published from the time the writ is issued. We should have legislation on this particular matter. The matter should be studied by a committee. We should hear what the pollsters have to say about their part in the whole situation. I would ask that in the meantime, until we have legislation, the people who are involved in these polls—newspapers, television stations and research bureaux, wherever they are—should take the responsibility upon themselves to declare their own moratorium on the publication of poll, unless they really want to influence the people and not just report what the people are supposed to be thinking. If that were the case we would not run the risk of having government by pollsters rather than by the people through their elected Members of Parliament or their legislative assemblies.

I agree with the hon. member for Cumberland-Colchester and I would urge that this bill be sent to committee, where there could be open and frank discussion by all the people concerned with these polls—the pollsters themselves, the people in public office and, indeed, people from the public at large. Then we could know what their views on the polls are and the effect they have on the voting process in Canada.

● (1730)

Mr. Derek Blackburn (Brant): Mr. Speaker, I too would like to say a few words about Bill C-262. I commend the hon. member for Cumberland-Colchester (Mr. Coates) for bringing this discussion to the House today.

The whole question of polling is something which has bothered and intrigued me for many years. It seems to me in a general way that what has happened, perhaps unwittingly on the part of pollsters, is that over the years they have actually usurped the right of citizens to think for themselves. I am not saying that they have done this deliberately but I suspect that what has happened, particularly among those members of the voting public who are not constantly interested in politics and may be undecided at election time, is that they suddenly find themselves unconsciously influenced by polls. I think this perhaps relates directly to the herd instinct that is in all of us; that one wants to go with the winner. If a person has not followed a local or national campaign for three or four weeks and has not studied the issues, or has not watched the television or listened to radio or gone to an all-candidates meeting or read about candidates' views in the newspapers, it becomes very easy for an uncommitted voter or, perhaps, a disinterested voter who nonetheless is a good citizen to sit back and say, "Well, John Brown or the leader of this or that party is ahead in the polls by 6 per cent" and instinctively there is the urge to go along with the winner and to be on the winning team without giving any serious consideration to the issues.

I suggest to you, Mr. Speaker, and to hon. members in the House, that over the years the polls have both relieved people of the responsibility of considering election issues for themselves and, on the other hand, swayed people toward voting in a way they would not have otherwise voted had they taken more time to consider the issues, the candidates and the leaders.

I am speaking in support of Bill C-262. Another problem I find with polls is that they tend to focus on the leaders—not just on the substance of the individuals but on their appearance as it is portrayed on television, radio or in public. Polls tend to simplify, perhaps even oversimplify a leader's potential or actual capabilities. The reason for this is that people today are very easily influenced by television, the most intimate medium of all. In many cases, the very people who are conducting the polls are often closely connected to the various broadcast networks. I believe that this only adds to the confusion, because when people are asked on television a simple question, such as what do they think of Mr. X as leader of Y party, the immediate concern of that person is how he or she looks on television. The same can be said for radio. Of course, that poll can be greatly distorted, and when an uncommitted voter sees that a certain party is ahead nationally by two, four or eight points, that perhaps is not really the case.

To return to my first comment, a double error is made in judgment. The herd instinct takes over. The uncommitted voter may see that a certain party will win, so they might as well vote for that candidate in their constituency. I believe that polling, in general, distorts election campaigns. I believe it is unfair to all parties, particularly parties at the local level where a candidate may be running well ahead of his opponent, yet his opponent's party is deemed to be well ahead in a poll and the candidate who is ahead suffers as a result.

If the government will eventually have the courage to introduce legislation based on Bill C-262 and it is passed into law, I suppose that the media will be on our backs. The pollsters may not, but the media will cry foul. They will say that this prohibits or limits freedom of the press.

Well, both hon. members who have spoken before me, I think, have made very good arguments to refute this. This bill does not in any way limit freedom of the press or freedom of expression. In fact, as one hon. member pointed out, it will make the media work harder. It will have to cover a campaign in the good, old-fashioned way of 40 or 50 years ago when leading print journalists used to follow the leaders in this country, the United States and Europe on election campaigns. These journalists went to all the meetings and had the time during the evening or during the night, whether they were on trains or buses or in a hotel room, to think about what had been said. I think they were able to come to a much more

educated conclusion because they had a longer time to think about what had been said.

Now that we are in the electronic age, I hope that a bill such as Bill C-262 will make the media slow down a bit, because instant wisdom from television is getting out of control. If Bill C-262 is passed into law some day, the media people will have to think more and analyse more before they begin typing or "mouthing off", as we might say, on television and radio.

Polls tend to package elections into just too neat a form. They take away a lot of the natural and human element of an election campaign. Therefore, I suggest that this bill proposed by the hon. member for Cumberland-Colchester should be given a great deal of consideration, and I hope it will be sent to the appropriate committee and that the government will act on the recommendations of that committee.

I see one major problem which has nothing to do with the drafting of this bill, that is that Canada has 3,000 miles of border between it and the United States and approximately 70 per cent of Canadians live within 60 miles of the United States border. I do not know how we would be able to prevent American pollsters or anyone else from taking polls and either print the results or, worse, broadcast them on American radio and television networks. I do not know how we can get around that problem. I envision a lot of pirating and high profits being made by taking so-called non-professional, non-profit commercial polls. For example, university students could be used to do a poll which would then be relayed down to Buffalo or Rochester from where those results could be broadcast. The vast majority of Canadians who own television sets can easily watch American television stations or listen to American radio.

It is one problem that should be dealt with and, of course, it is part and parcel of the larger and more important problem vis-à-vis the influence of American television on Canada. With the exception of that loophole, which I hope and expect can eventually be tightened up with a tremendous amount of effort on our part, I highly commend this piece of legislation.

I understand that this is the sixth time that this bill has been debated in the House. The government has obviously seen fit to talk it out on the five previous occasions. I understand that this is probably what they are about to do today, and that is usually the name of the game in private members' hour.

However, I would like to urge government members who are opposed to this bill or its coming on stream now to seriously consider within their own caucus, and certainly within cabinet, to allow a bill such as this to come before the House in the name of the government, or a government minister for a free and open debate and then to go to committee.

The government may be surprised by the fact that there would be fairly widespread support for this bill. Perhaps we could even have a free vote on this bill. The only problem I can see, if my information is correct, is that, notwithstanding what the hon. member for Welland (Mr. Parent) said a few moments ago, the Liberal Party of Canada has relied very heavily on polls taken at election time. I do not know whether those polls are commissioned by the Liberal Party of Canada. I do not know whether they spend money commissioning them. I suspect they do. Maybe I will be enlightened in a few minutes and the answer will be no.

● (1740)

If the Liberal Party of Canada is heavily dependent on these private and very expensive polls, I suggest to the Liberal members in the House that they try to bring back a little more democracy into our politics, reduce the influence of the electronic media in politics, give people at least the opportunity that their grandfathers had to think for themselves at election time and not be overwhelmed by a numbers game that is not always accurate.

I hope that in our lifetime this will reach cabinet, come into the House for debate and be passed into law. I am afraid that if we do not get a handle on the situation now, the electronic media in the country and throughout the western world will some day, without our even being aware of it, take over virtually the entire electioneering that goes on in this part of the world. They have far too much influence on the voters. It should be left to the candidates. If we goof and make a mistake, we pay for it at the polls. Let us not be pre-judged by these professional pollsters, let the people judge us on our merits.

Mr. Howard Crosby (Halifax West): Mr. Speaker, thank you for the opportunity to participate in this debate and to support my colleague from Nova Scotia, the hon. member for Cumberland-Colchester (Mr. Coates) who has presented Bill C-262 to the House for consideration. If I may begin where the hon. member for Brant (Mr. Blackburn) left off and point out that what we have for consideration is a reference of this bill to the Standing Committee on Privileges and Elections. It is important that, if the House is not willing to consider the content of this bill in terms of passing it into law we at least take the opportunity to have the subject matter of the use of polls in relation to federal elections reviewed by a committee of the House.

We have in the debate to this moment heard from not only the hon. member for Cumberland-Colchester, who represents the Progressive Conservative Party, but from the hon. member for Welland representing the Liberal Party and the hon. member for Brant representing the New Democratic Party. They all agree there is some real merit to the proposal. It is very difficult, in light of the expressions of that all-party support, to have the bill simply talked out so that it will no longer be considered in the House or committees of the House. I intend to yield the floor in sufficient time to allow the motion to refer Bill C-262 to the Standing Committee on Privileges and Elections to be put to a vote.

Let me begin my remarks on Bill C-262 by referring to the principle that it involves. It involves the very important matter of freedom of speech and freedom of communication. We have before us at the present time the constitutional proposal. In that proposal as part of the Constitution Act, 1981, which the House will be asked to approve and enact into law through the

Parliament of the United Kingdom, there is a statement of fundamental freedoms. Section 2 of the Constitution Act reads:

> Everyone has the following fundamental freedoms:
>
> (a) Freedom of conscience and religion;
>
> (b) Freedom of thought, belief, opinion and expression, including freedom of the press and other media of communications;

There is no question that across this nation the freedom to express one's views is of prime importance, but that has to be considered in the context of the real world. We recognize immediately that there are qualifications put on that freedom of expression and freedom of communication.

We have already recognized in a myriad of provisions in the Canada Elections Act that, in relation to a political campaign, there is not entirely freedom of expression in the ultimate sense of that concept; in particular, as other hon. members have pointed out, there are already restrictions on advertising. Candidates who seek elected office must indicate in their advertising the source of that advertising, who sponsored it and other forms of identification. There is a ban on advertising in the period immediately preceding an election. Under the Canada Elections Act, elections advertising is banned prior to the date of the election being announced. Therefore, we have it established clearly that there are already existing limitations on communication. I do not think any member of the House or any person in Canada would regard these limitations as unreasonable.

The hon. member for Cumberland-Colchester is asking the House to consider another restriction, a restriction which, in the opinion of the hon. member, as he so aptly expressed it in his speech when presenting this bill today, will advance in the ultimate the freedom of choice which all citizens ought to be able to exercise in a federal election.

The balancing of rights is the matter which the House has to consider in this and other measures that come before it. On one hand we have the right as citizens to freely express ourselves in the course of an election campaign and, on the other hand, the need to protect the secrecy of the ballot, and the need to allow all citizens to make an appropriate and proper choice in an election campaign.

This bill recognizes that the use of polls during an election campaign becomes an impediment in the exercise of free choice of the citizen to vote and exercise his or her franchise. How can that occur? That is to say, how can it come about that a citizen is impeded in the exercise of his or her free choice in an election campaign?

You learn something from time to time by listening to members debate in the House. In the course of his remarks, the hon. member for Welland came up with an excellent phrase, "undue influence". The phrase "undue influence" has been in the law for years. We recognize that concept in the matter of will-making. It is said that a testator who makes a will must have free choice and not be subjected to undue influence. Undue influence can be exercised by persons pressing the testator at the time he is making a will and influencing him to leave his property in a certain way or subject to certain conditions. For centuries the law has said that if that kind of influence is exercised, the will should not be valid because it is not the act of the maker of the will. He would have been subject to undue influence.

That is what we are talking about when we support a measure such as the one contained in Bill C-262; namely, the use of polls in the election campaigns in the current environment becomes an undue influence, unduly influencing voters.

As I indicated, there are many ways in which a voter can be influenced in an election campaign. For example, we recognize that a voter might be influenced by the manner in which votes were cast in an advance poll. In some cases an advance poll is taken two weeks prior to an election. The results are not announced until polling day. Why not simply count the votes when the advance poll closes and make an announcement? The reason must be that this might improperly influence voters on polling day.

If a poll taken on a scientific base is an accurate indication of the view of the persons polled who constitute the voters in an election, that would act as a similar influence on the voters. Assuming it is accurate, it would not be unlike announcing the result of an advance poll which, of course, is prohibited under the Canada Elections Act. If one were to make the analogy between the advanced poll and the poll taken under scientific conditions, one would have the answer: The voters should not be given this kind of information because, similarly to announcing the result of the advance poll, it may act unduly to influence voters in an election campaign. That is one of many arguments that can be made.

● (1750)

To give some background to the matter, Mr. Speaker, we should consider polls as they are constituted at present. In past years, polls were really guess work. I think that is where the expression "straw polls" came from. It meant you threw straws into the air and judged the result by how and where the straws landed. Since then, Mr. Speaker, polls have been conducted on a more scientific basis. As a result of efforts of social scientists and statisticians, over the years, a reasonably accurate, in some cases a tremendously accurate method has been established for determining what people will do in certain circumstances. It not only applies to the electoral process, but it applies to a great many other things. Many manufacturers in marketing their product rely on information obtained from polls. I think it has been established fairly clearly, Mr. Speaker, that the scientific technique has been developed to the stage where polls can be very accurate.

It is quite possible and conceivable that individuals in Canada would take a poll result as being a definite indication of the outcome of an election. You may say, Mr. Speaker, what is wrong with that? Again, I think it disturbs the freedom of choice in an election campaign. It is the kind of interference with the principle and concept of the secrecy of the ballot. For example, one should not be allowed to look into the ballot box to see how the person who came before you voted, and at the same time one should not be given informa-

tion that may amount to the same thing; that is, one has advance notice or a preview of what will be the election count.

As I have said, the matter before the House is not simply the passage of the provision proposed by Bill C-262, which is the prohibition of the publication of polls during an election campaign, but, more important, it is the reference of this subject to a committee of the House. We do not have to decide the matter today; we merely have to decide whether the matter should be further explored. I think that is very important in the light of the scientific developments that have taken place. In a very short time, Mr. Speaker, polls will advance to the stage where people will regard them as a true and accurate indicator of an election result. I believe and suspect this is already happening.

In a recent election in Nova Scotia, in some cases poll results were announced that indicated one candidate was well ahead in the election campaign. In fact, when the polling day arrived, that candidate trailed another candidate by a considerable number of votes. I happened to be very involved in that election campaign, and I firmly and honestly believed that the publication of a poll did affect the outcome of our particular election.

The next question is to determine whether that is good or bad. The supporter of the candidate, of course, who eventually won that election, would think it is a good thing. Other persons would disagree with that. I happen to be one who disagrees with that.

In exercising the franchise in that particular constituency, I believe that the voters were influenced by that particular poll. Why am I mentioning this in the Parliament of Canada? It is because it subsequently came to light that the poll was not as accurate as it purported to be. In fact, it purported to be a scientific poll that was conducted under the auspices of a university professor who utilized his students in a particular statistics course. Subsequently I spoke with one of the students and was told that it was nothing of the kind, that the students were simply given the assignment of selecting persons and coming back with the results of their particular survey. Those results were tabulated and the total result was established and communicated. The reason Parliament should consider this matter, Mr. Speaker, is that it is the broad public concept that polls are now accurate, and that once that concept becomes recognized by the public, unscrupulous people will take advantage of that faith and will attempt to manipulate polls in such a way that it will affect the outcome of an election. That is reason enough to have this matter considered in Parliament.

Very recently—in fact, a few weeks ago—I had the opportunity to appear as a guest before the student parliament in Halifax, the Halifax-Dartmouth Regional Student Parliament. Interestingly enough, the topic of debate that day was the publication of polls. I had the opportunity to hear both sides of the question expressed very well. I noted that the students grasped very quickly the element of freedom of speech that is involved in this particular question and, at the same time, the need for sensible restrictions on the right to express and communicate freely to Canadians. When I addressed the participants in that parliament afterwards, I could not help saying that I had considered the matter, as they had, and had come to the conclusion that in that particular situation, and bearing in mind the developments that had taken place, the balance had swung, in my view, in favour of at least considering the banning or prohibiting of the publication of polls during an election campaign, for some of the reasons I have just outlined. In my area we have a radio station called CFDR that has acquired what is known in the trade as a telephone computing device. That telephone computing device has been used to take polls in election campaigns. The results of the polls taken by that particular station have been communicated and published, particularly when the polls have supported a particular party. I will not draw any inferences, but I will say that the principal shareholder, the president, director and managing operator of that station, is none other than C. Arnold Patterson, who was press secretary to the Prime Minister of Canada (Mr. Trudeau) for some months and who today is before the CRTC applying for another licence to operate a television station in the Halifax area.

If I had no other reason for wanting this matter to be considered by Parliament with a view to banning the publication of polls during an election campaign, there would be sufficient reason in that one instance. Here we have a political partisan who apparently owns a radio station, who has control of poll taking machinery and who publishes the results of that poll at his whim and at his desire.

Let me end my remarks so that we can vote on this issue by referring, as did the hon. member for Cumberland-Colchester, to the words of the Right Hon. John G. Diefenbaker. Mr. Diefenbaker said on many occasions that "the only poll that counts is the poll taken on election day". I believe we will preserve the dignity and the good sense of that remark by having this matter considered and banning the publication of polls in the manner suggested by my good friend.

The Acting Speaker (Mr. Ethier): Order, please. It being six o'clock, the hour provided for the consideration of private members' business has expired, and I do now leave the chair—

An hon. Member: Three minutes remains.

An hon. Member: We do not consent to calling it six o'clock.

Mr. Smith: Since there is no agreement to calling it six o'clock, I might make a few comments with regard to this bill.

The Acting Speaker (Mr. Ethier): Order, please. I see from the clock in front of me that it is six o'clock. The hour provided for consideration of private members' business having expired, I do now leave the chair until eight o'clock.

At 6 p.m. the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

[*English*]

THE CONSTITUTION

RESOLUTION RESPECTING THE CONSTITUTION ACT, 1981

The House resumed consideration of the motion of Mr. Chrétien on the Constitution of Canada, as amended, and the amendment thereto of Mr. Nielsen (p. 13346).

Hon. Erik Nielsen (Yukon): Mr. Speaker, when we adjourned for private members' hour, I was emphasizing the fact that we had just dealt with a resolution which entrenched in the reinstated Section 34 the right to existing aboriginal rights. That includes existing aboriginal rights in the two northern territories. I read to the House the native position with respect to their rights, in terms of their right to become a participant in a future Canadian province. We now have enshrined in Section 34 by a decision of the House the right to achieve provincial status without the overriding subjection to the so-called amending formula where seven provincial premiers must agree to the carving out of new provinces, together with in excess of 50 per cent of the population.

While I believe the government's acceptance of the April accord by the premiers as a basis for constitutional amendment improved that part of the charter by strengthening the consensus principle, it created a very serious and threatening problem for Canadian citizens living above the 60th parallel. For over half a century, and certainly as long as I have been living in the north—and it is not that long—the dream of provincial status has been the loadstone of northern hopes. It has been central to the vision of the north which sees the development of Yukon and the Northwest Territories as the best and brightest hope for Canada's future. When the Prime Minister (Mr. Trudeau) accepted the inclusion of two clauses in the April accord relating to "the extension of existing provinces into the territories" and "notwithstanding any other law or practice, the establishment of new provinces", he dealt a crushing blow to the hopes and aspirations of thousands of Canadian citizens resident above 60. He gave away what was not his to give away—the rights and privileges of Canadians of northern Canada above 60.

The clauses proposed by the provinces in the April accord did not become part of the constitutional package until accepted by the Prime Minister in November. They were bad in April; they are bad in November. They had their origin in 1976 when, I am informed, the premier most insistent upon the retention of those two clauses in what turned out to be the accord was the Premier of Nova Scotia. We have been creating movement in order to bring about accord for the deletion of these sections. It had not occurred to me at the time—but it does now—that in discussions with provincial governments and premiers we found that the premier of the province who insisted upon the inclusion of the clauses as we see them now was not the present Premier of Nova Scotia but the minister for amateur fitness and sport, or whatever it is; he is the minister for "Diamond Tooth Gertie". He was the man who insisted upon the retention of this invidious proposal as far as it concerns the two northern territories.

I cannot hear the hon. Minister of State for Mines (Mrs. Erola); I would dearly love to. I know she would not wish to extend her boundaries beyond those she enjoys now.

Mrs. Erola: Oh, yes, I would.

Mr. Nielsen: Nonetheless, I wish to become serious about this matter of deep concern to the northern territories. Never at any time did the governments of Yukon or of the Northwest Territories participate in putting together either the April accord or the latest arrangement from which the north was totally, resolutely and determinedly excluded. We were given the opportunity as governments in Yukon and in the Northwest Territories to appear as witnesses before the standing committee on a resolution which did not contain these two provisions. After the committee had finished its work and after it reported back to Parliament, there was a meeting of provincial premiers at which the elected legislatures of the two northern territories were not heard. They were not heard in April, they were not heard in November. Yet we are now confronted with two provisions in a resolution affecting the future forever and a day of Canadians, in which we in the north have not had any input; we have not been heard.

● (2010)

In my view, this was a rather cavalier treatment, of the kind to be expected, perhaps, by a Soviet government or one of its satellites. That is what it boils down to. The shutting out of these thousands of Canadian citizens in the north is something about which we are deeply resentful. These give-away clauses that open the door to provincial invasion of the north with the blessing of the federal government are found in the sections that are the subject of the amendment.

I submit to you and to the government, Mr. Speaker, that the government cannot barter away the rights of northern Canadians in order to secure a provincial consensus for the package—a consensus that the hon. member for Provencher (Mr. Epp) and other are working on and on which they are getting some movement so that the premiers now understand what is coming down. As far as the future of the Northwest Territories is concerned, they are coming around to the view that this is not right and coming around to agreement that these clauses should be deleted from both the moral and the legal point of view.

In the early stages of this debate, the Prime Minister talked about trading off rights for fish, trading off rights for oil, trading off rights for whatever. What are we doing if it is not trading off the rights of all Canadian citizens in northern Canada for the sake of consensus? This is an outright betrayal of the rights of northern Canadian citizens who live in a part of Canada where it is felt that the southern mentality stops at the 60th parallel.

There may be one or two exceptions, of course. I would be remiss and ungallant if I did not recognize—and I do so immediately—that one of those exceptions is the Minister of

State for Mines. If she is truly as happy—and it was a day for champagne—as when the House unanimously passed equal rights for male and female persons, then she should be ecstatic about the prospect of voting in favour of the motion which I have proposed with respect to the rights of northern Canadians, of whom she is one.

As it stands now, Section 146 of the British North America Act, followed by the 1871 Act, gives to the federal Parliament the exclusive jurisdiction to create new provinces. That includes the same process as that which created the provinces of Saskatchewan, Alberta, Manitoba, and British Columbia, which was carved out of the Northwestern Territories as it was known in those days, without any provincial consultation or consensus. Yet the government wants us as a Parliament to barter away those rights in favour of the amending formula.

That is simply not right. It is another example of the rights of northern Canadians being trampled upon.

Arguments have been presented with respect to the effect of Bill C-48, the National Energy Program, whereby the federal government asserts Ottawa's right to northern resources as if the north were a mere department of government. This emphasizes unmistakably the need to bring about provincial status for Yukon and the Northwest Territories as quickly as possible.

I know that the Liberal philosophy and the Trudeau philosophy does not embrace that concept and never will. I point out, however, that they have an obligation to leave Parliament free to enjoy the jurisdiction with which it was originally endowed when that principle of creating new provinces was first established in 1867 and 1871.

For those who would argue numbers and money, I point out that the Northwest Territories, with 60,000 people, has a greater population than either Manitoba or British Columbia had in 1871 when they attained provincial status. Never was it contemplated, either in the BNA Act, the Yukon Act or any other relevant statute, that any of the existing provinces should extend their boundaries northward to gobble up the territories. That idea was first expressed by Premier Pattullo in 1935 in British Columbia and was reiterated by Premier W. A. C. Bennett. Later it was jumped on by Alberta and Saskatchewan. The reaction of northerners was a counterproposal to the effect, "Let's take our boundaries south 54-60, 56-40 or bust."

It is all for the expediency of consensus at a time when northern sections of existing provinces are, in many cases, desperately unhappy because of the inability of far-away provincial governments to understand and solve their problems. Neither the government of Yukon nor that of the Northwest Territories was permitted to participate in the negotiations which took place behind closed doors.

We were permitted in as observers. In the public sessions chairs were placed in the corner of the room for an elected representative of Yukon and of the Northwest Territories. They were not to be heard; they were not to speak on behalf of the people who elected them.

The attitude of the government is that the Minister of Indian Affairs and Northern Development (Mr. Munro) speaks for Canadians in the north. I say, God help us if that is the attitude to be adopted here.

My objective today is to persuade the government of the inherent error in that kind of thinking, an error far too common in southern Canada where the official mindset is irrevocably programmed to the concept "From Sea to Sea". Except from members on this side, we never hear "throughout the country". We never hear "from sea to sea to sea"; we have three seas. I hear snickers from hon. members opposite.

I want to try to convince members that Canada is more, must be more than simply from sea unto sea; Canada is from sea unto sea unto sea. We are a nation with three seacoasts. All are important, and perhaps the most important in terms of Canada's future is the sea that borders on Canada's Arctic.

Commenting on the cavalier treatment accorded to northern Canadians, the *Globe and Mail* on Saturday, November 21, under the heading "Selling of the North" editorialized as follows:

> The people of the Northwest Territories and the Yukon—both natives and whites—have been used as bargaining counters in the constitutional argument between the Prime Minister and the premiers.

I could not agree more. This was a blatant political sell-out of a kind for which the Prime Minister is becoming notorious. First, women's rights were sold out—we restored those; the credit goes here for restoring them.

An hon. Member: Nice try!

An hon. Member: That is the joke of the week!

Mr. Nielsen: Let hon. members on my left, the bed partners of the hon. members opposite, rise and say that they are called chiefs.

The women were sold out, Mr. Speaker, and we were responsible for having their rights restored. I noticed with great gratitude today that members to my left voted for the restoration of Section 34 in the Constitution.

• (2020)

I will make another prediction. When those hon. members speak, they will speak in favour of this amendment. Let them say "nay" to it. They do not dare to do otherwise. If they had any conscience or morality on the other side, they would do the same.

Some hon. Members: Hear, hear!

Mr. Nielsen: Unless we are deemed to have less than the same democratic freedoms as southern Canadians, unless we are deemed to be different from any other Canadians, and unless we are deemed to be second-class Canadians, hon. members will support it; but I doubt it, notwithstanding the substantial movement that my friend, the hon. member for Provencher has caused to be made in bringing the premiers together, and, hopefully, they will support this amendment tomorrow.

I could go on and quote from *The Globe and Mail* editorial to which I referred, but I do not think that I will have time. What is happening here is a dastardly betrayal of the rights of the people of Yukon and Northwest Territories.

Mr. Baker (Nepean-Carleton): You have got to rectify it.

Mr. Nielsen: It is a dastardly betrayal. Certainly, the sooner provincial status is achieved and recognized by Parliament, the sooner will the people in our territories feel at long last that they are part of Canada and that they will be able to develop their resources for the benefit of all Canadians. I hear some cheeping from the hon. member for Birds Hill.

Mr. Blaikie: Winnipeg-Birds Hill.

Mr. Nielsen: If he wants to cheep, or if he wants to ask a question, I will gladly sit down and let him ask it, and I will answer it; but, otherwise, let him listen and learn. I invite him to come to Yukon and Northwest Territories.

Mr. Blaikie: I have been there twice.

Mr. Nielsen: For how long?

Mr. Blaikie: I have been there twice.

Mr. Nielsen: For how long?

Mr. Taylor: Fifteen minutes.

Mr. Nielsen: I have lived there for 30 years, and if the hon. member will shut up and listen, he might learn something.

Some hon. Members: Hear, hear!

An hon. Member: It just goes to show that time does not mean a thing!

Mr. Deputy Speaker: Order, please. The hon. member for Yukon (Mr. Nielsen) has the floor.

Mr. Epp: We thought so, too.

Some hon. Members: Hear, hear!

Mr. Nielsen: I do not mind, sir. It livens up the debate to have these interjections. But if hon. members are really interested and really want to learn, they will listen and they might learn.

An hon. Member: From you?

Mr. Nielsen: Yes, from me, because I live there. I know what the people throughout the Northwest Territories and Yukon feel, native and white alike, and the hon. member does not.

Some hon. Members: Hear, hear!

Mr. Nielsen: Over and over again, the people of the north have learned that as far as this government is concerned, they have no rights and, indeed, they do not exist. We have judicial opinions which state just that, brought down by judges who, I might say, have been appointed to the Supreme Court by a Liberal government. We are mere colonials in the eyes of the government and of the law. That is a fact, and let hon. members speak against that when their turn comes in the debate. I will lay odds that the hon. member for Nunatsiaq (Mr. Ittinuar) will say nothing less than what I am saying now.

Mr. Ittinuar: I will say a lot more, Erik.

Mr. Nielsen: He may do, and that will add to it, more than the interjections of the hon. members are adding to this debate.

Mr. Epp: I think you have got to them, Erik.

Mr. Nielsen: So far as the north is concerned, our people, our Canadian citizens in the north, are being subjected to a policy of de-Canadianization by this government, which has been running all over the country shouting about its policy of Canadianization. The federal government must not be allowed to get away with the idea that after more than 100 years of confederation-building, the rules can be suddenly changed, and that we will be subjected to the whim of seven provincial Premiers—

An hon. Member: Conservative.

Mr. Nielsen: —and 50 per cent of the population. I am sorry, I could not hear the interjection. The hon. member asks, "Do you not trust the premiers?" Of course I trust all of our premiers. That is what this country is about. I am afraid the reason for the mess we are in right now is that the government over there does not trust the premiers of the country when they are purporting to speak on behalf of the people within their jurisdiction.

An hon. Member: Nine of them trust us.

Mr. Nielsen: The people of northern Canada have been treated as second-class and third-class citizens and have been allowed no more role in the constitutional negotiations affecting them than if they had resided in Ulan Bator. For the benefit of people like the hon. member for Willowdale (Mr. Peterson), who probably does not know where Ulan Bator is, it happens to be in outer Mongolia. That is the way we sometimes feel in Yukon and Northwest Territories with respect to our treatment by this government. We are absolutely sick and tired of accepting colonial status, including the administration of bureaucrats thousands of miles away.

Imagine, Mr. Speaker, being a farmer—and I do not suggest for one moment that you are—

Some hon. Members: Oh, oh!

Mr. Nielsen: —and driving a team of horses with reins 4,000 miles long. That is what we have up there. The end of the reins are here. I will not say where the end of the horse is, but that is where we are.

Some hon. Members: Oh, oh!

An hon. Member: We know where the end of the horse is.

Mr. Nielsen: Northerners must have the assurance that their future destiny will not be the subject of collusion and whim—but did I hear the unmentionable end of the horse from Newfoundland just interject?

Some hon. Members: Hear, hear!

Mr. Nielsen: If I had to move a motion with any hope of acceptance tonight, it would be to create a referendum to establish two provinces in the north.

I see that my time is slipping by, and so is my speech. If any confirmation was needed of the destructiveness of the proposals regarding the Yukon and Northwest Territories, it is found in the lame and feeble explanation by the Minister of Indian Affairs and Northern Development. The simple fact is that the federal government picked up the proposal embodied in clauses (e) and (f) in Section 41(1) of the accord reached by the premiers in April. It is not strange or unusual to find that kind of thing happening. It is, however, more than strange to find the federal government embodying a principle in the Constitution—and I want to be serious for a moment here—which never before existed in any form; that is, a provincial veto over the formation of a province. The formation of a new province is a power belonging to the federal Parliament. It has always been thus. It does not belong to the government but to Parliament under the BNA Act.

The proposals to which the north objects are a complete reversal of constitutional practice which has existed for over 100 years. It is an indication that the government takes the same cavalier attitude to the powers of Parliament that it does to those of the provinces when its own interests are at stake.

The minister trotted out the statement that it is the federal government's recent practice to consult the provinces when considering the creation of a new province. First, consulting the provinces in any field at all is a new departure for this government. Second, it is a mind-boggling statement by the Minister of Indian Affairs and Northern Development in answer to the question: what new provinces have been created recently?

As far as anyone is aware, the last time a new province was created was when Newfoundland entered confederation in 1949. Certainly that cannot be deemed to be a recent event, nor was the minister around to take part. I will not comment on where he might have been. Therefore, when he says that the government has recently consulted provinces about creating provinces, what is he talking about? What were those recent consultations? What provinces took part in those recent consultations? What possible new provinces were being discussed? Were they talking about a new province of Yukon, which is long overdue for provincehood? I very much doubt it; at least, not with that minister there, not with that Prime Minister there, not with that government there, not with those Liberals there. Is this why we have these new clauses which overturn the practice of the past and take away a right that belongs to Parliament?

• (2030)

What have they been up to, sir? Is there some way we can get at the facts, facts which Canadians are entitled to know about this government's subterranean tunnels? Parliament creates new provinces, not the government and not the existing provinces. Manitoba, Saskatchewan, Alberta and British Columbia were created by Parliament through a joint address of both Parliaments. Some were colonies, some were territories. British Columbia was a colony. I might interject here that, there are many people who believe that this Parliament has never amended the BNA Act. We cannot do it, they say. How many people would be surprised if I told them it was done? It was done in 1952. How many hon. members know that?

Mr. Deans: You just told us.

Mr. Nielsen: I am glad the hon. member for Hamilton-Mountain (Mr. Deans) is listening. It is very gratifying and the information just might penetrate his mind.

The BNA Act was amended unilaterally by this Parliament in 1952 when, for the first time, a Member of Parliament was given a seat in this place for the Northwest Territories. A request was not made to Westminster to do this. It was done here. For those who believe, like the hon. member for Hamilton-Mountain when he was supporting the government in the initial resolution together with other members of his party, right down the line—

Mr. Deans: Are you going to read and talk for 40 minutes?

Mr. Nielsen: I might be asking for a minute or two more.

Some hon. Members: Oh, oh!

Mr. Nielsen: The bottom line of the argument is that a government cannot take away from the people of Canada the right to establish new provinces through Parliament. To do so is a travesty and a betrayal of a right enjoyed by Canada for over 100 years. The government must be aware of the Pandora's box it is opening with these proposals. First, it is putting off indefinitely the creation of new provinces by subjecting them to provincial veto.

Second, the government is opening the door to provincial intervention and invasion—there is no other word for it but invasion—of the territories now belonging to the Yukon and the Northwest Territories.

Third, the government is inviting a shambles in the administration of resources in those two territories. But that is not surprising to me. I am one of those who believe that the government creates disorder deliberately for its own purposes. It has created and fomented fiscal disorder in the budget, economic disorder in its interest rate policy, constitutional disorder in its tortuous and evasive method of putting together a Constitution for Canadians. This has created unbelievable

disorder in the oil and gas industry by setting up God knows what Crown corporation for what purpose, if not for massive state intervention. The policy of the government is one of creating confusion and disorder.

The people of the north are a special breed. They are Canadians.

Some hon. Members: Hear, hear!

Mr. Nielsen: They want the rights and privileges enjoyed by other Canadians, no more and no less but the same rights and privileges enjoyed by any other Canadian. They do not want to accept taxation without representation. They will not accept being used as pawns by a politically-minded government. They have chosen to accept hardship and inconvenience. They have chosen to make do with less than their fellow Canadians. They are an independent breed. They are people who stand on their own two feet. I have often called the people in the territories the last bastion of free enterprise in this socialistically torn country of ours.

Some hon. Members: Oh, oh!

Mr. Nielsen: They laugh over there. Let them visit and get the feeling of the people of the north themselves. Let them ask their own member, the hon. member for Nunatsiaq (Mr. Ittinuar).

Mr. Blaikie: Why did the NDP win the last by-election?

Mr. Taylor: Bird's eye would freeze to death if he ever went up there.

Some hon. Members: Oh, oh!

Mr. Nielsen: Bird's eye would freeze in his own bird's nest if he went up there.

Some hon. Members: Oh, oh!

Mr. Nielsen: The northern people do not want to see the north turn into a gigantic reserve operated from Ottawa by people who, in the main, have never seen it.

Sir, I need a few moments more to complete my speech and I ask the indulgence of the House to do this.

Mr. Deputy Speaker: The hon. member's time has expired, but he may continue with unanimous consent. Is there unanimous consent?

Some hon. Members: Agreed.

Mr. Nielsen: Mr. Speaker, I thank the House for its indulgence.

Natives and whites are united on this issue. In this issue there are no natives and no whites; there are only northerners. We are united in fighting the southern Canadian mentality that the world ends at the 60th parallel or before. The world does not end there. It is a different world. Perhaps it is a world where climate is everything and where in most communities in the Northwest Territories and the Yukon everything must be flown in. Perhaps it is the last frontier of our country.

Canada's future economic prospects depend on orderly development of northern resources for the benefit of all Canadians. That will come only if provincial administrations are given the task of dealing with conditions on the spot, conditions dealt with by the residents who are there and who know the conditions. The day has long gone when citizens of the north, native or European, will tolerate being a colony of the bureaucracy.

The future belongs to the north, and the north must be free to realize that future for the benefit of all Canadians.

Throughout these negotiations, the elected governments of the territories have been patronized, ignored, treated with indifference or contempt but, whatever else, never heard by their elected representatives.

The Mackenzie Valley, the Beaufort Sea, Melville Island, these are the passwords of the future. Northerners demand a voice in that future so they can speak for a Canadian point of view, a point of view formed by living and working in the north country.

We are the trustees of the future, and it is time that this fact was recognized here in the House and in the country. I hope that by tomorrow we will have that provincial accord which will delete these invidious provisions from the proposed Constitution, and I have every indication from the government that if we do have an assurance that there is that accord, the government will voluntarily support the amendments proposed by me.

With all my heart I hope that this will come about so that we do not take this terribly retrograde step which will forever doom every possibility of the Yukon or any other of our northern territories from ever becoming a province.

Some hon. Members: Hear, hear!

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa-Vanier): Mr. Speaker, the purpose of my comments will be to clarify my position on the proposed resolution for patriation of the Canadian constitution, because I feel it is essential at this point in the debate to explain exactly why I disagree with the motion. First of all, I want to make it quite clear that I am personally in favour of patriating the Canadian constitution. Our country will not be fully sovereign until it is able to decide for itself what its future is to be. Patriating our constitution to Canada will remove any lingering traces of colonialism, and from now on, Canadians will make their own decision. I am not opposed to the government's objectives in introducing this motion, nor am I objecting to the way it was done, although I would have preferred the Government of Quebec to have been a partner in the agreement that was concluded. The present situation is probably due to the ambiguity of the Supreme Court decision in which the Justices washed their hands of the whole thing simply tossing the ball back in the politicians' court. It is important to understand which constitutional provisions relate to the Charter of Rights. After establishing what the objectives

of these provisions are, I will argue about the expected implementation of these provisions.

● (2040)

[*English*]

The main purpose of a constitution is to guarantee the rights of citizens beyond the reach of any political power. Furthermore, it should not be used to protect the rights of majorities but rather those of minorities, for the former, the majorities, protect themselves naturally through their numbers, through political influence and through the environment they create. That is why protection of the rights of the minorities cannot be left in the hands of the majorities, nor in those, for that matter, of the various legislative assemblies.

A constitution is in fact, Mr. Speaker, a social contract which binds a whole nation, and to which each citizen is subject. The latter element should ensure that each and every citizen enjoys respect and equality within the social body, regardless of his origin, opinions, language and beliefs.

[*Translation*]

In the present constitutional resolution presented to the Parliament of Canada by the federal government, these rights will be entrenched in a charter of rights and freedoms. The charter is intended to be universal, above everything else. Its primary objective is to guarantee equal rights to all individuals throughout Canada. The rights in the charter include the right to fundamental freedoms and democratic rights, which are covered by Clauses 1 to 5, and with which I wholeheartedly agree. Clause 6 guarantees mobility rights and rights to gain livelyhood everywhere in Canada. Although I agree with the essence of this clause, we shall see that other constitutional provisions make it somewhat less than ironclad, and I would go so far as to say that in practice, its existence is threatened. Clauses 7 to 15 guarantee legal rights, and for the same reasons I gave concerning Clause 6, the implementation of these rights is also threatened throughout Canada. Clauses 16 to 22 deal with official languages, and it is said specifically that these provisions apply to the Parliament of Canada and to New Brunswick. The status of official languages in other provinces is regulated by earlier constitutional provisions in Section 133 of the British North America Act and Section 23 of the Manitoba Act. There, Mr. Speaker, we have the crux of the constitutional resolution. A direct consequence of the fact that the status of the French language is governed by such provisions is that all clauses in the charter starting with Clause 16 are, in effect, English only in seven out of 10 provinces.

[*English*]

It is true that mobility rights and legal rights are guaranteed under the charter, but in reality are those rights guaranteed to French-speaking citizens if they cannot, except in three provinces, be tried in their own language, buy a house in their own language or register their will in their own language? Indeed, can they use their own language to carry on business, make transactions, sign contracts, etc? No, Mr. Speaker.

[*Translation*]

Clause 23 gives constitutional guarantees with respect to language educational rights, up to and including secondary school, in all provinces including Quebec. The wording of Clause 23 is not specific about the administration and control of minority language educational institutions. A liberal and broad interpretation will probably be necessary to establish that the legislators of this House, by applying the process in subparagraph 23(3)(b), and I quote:

> (3) The right of citizens of Canada under subsections (1) and (2) . . .
>
> (*b*) includes, where the number of those children so warrants, the right to have them receive that instruction in minority language educational facilities provided out of public funds.

That is the process, Mr. Speaker. With due respect to my friend Bill Davis, the premier of my province, there is still a glimmer of hope.

Not more than a week or two ago, my Canadian First Minister told me something I would like to read to you, in reply to a question I asked him on November 9. His answer was: "So I think that to start with, francophones outside Quebec should take time out to celebrate, but not too long", and I agree, Mr. Speaker, there is a glimmer of hope in the fact that a liberal interpretation of this clause may give us access to the administration and control of our educational institutions.

[*English*]

Of course, some will say that since the charter grants minority language education right, throughout the country, the rights of the francophones are, indeed, protected. However, the charter imposes a notion of quantity by specifying, quite ignobly, "where the number is sufficient to warrant"—that famous clause. What will this number be? Who will decide what is to be that number, the provinces concerned or the courts of justice? We can look forward to some tough battles on this question, Mr. Speaker, in the years to come.

Furthermore, in seven provinces out of ten, including my province of Ontario, a French-speaking citizen will not be able to use his mother tongue in the legislative assembly and courts since these rights will not be guaranteed by the Canadian Constitution. Can it truly be said that equal rights are guaranteed to all?

[*Translation*]

The irony of this situation can be readily appreciated. Since the Charter of Rights does not give access to legal and legislative institutions in the language of the linguistic minority in that Canadian province, parents will have to fight in English to obtain recognition of a minimum of the constitutional rights granted to them as francophones. This serious deficiency in the Charter of Rights makes it unacceptable in my opinion. We are told that the charter safeguards the rights of linguistic minorities, but it does so only partially. Minorities are given certain rights, but not the tools required to ensure that they are respected. That is why I disagree with this proposal, Mr.

Speaker. The inclusion of a charter of rights reflects the desire to grant the same rights to all Canadians. Yet, these rights granted in the charter are denied in practice by other provisions. This is what I question. I am told that as a French-speaking Canadian, I am given every right while, in fact, these rights can be exercised fully and completely only in three provinces. In its present version, our future Constitution will maintain the notion of two classes of citizens: those who have rights across the country, namely English Canadians, and those who have rights only in three provinces, namely French-speaking Canadians.

Even the Right Hon. Prime Minister (Mr. Trudeau) was against this disparity of linguistic rights at the time. In reply to a question I asked in this House concerning the equality of linguistic rights, Mr. Trudeau replied, as reported on page 2642 of *Hansard* for January 29, 1979:

—I would insist on the fact that this bill of rights should and must include a bill of rights protecting official language minorities all over the country.

This commitment has been partly met and some of these rights are included in the charter. The problem therefore comes basically from Section 133 which, because of its exclusive application to Quebec, cancels out the total application of these rights in seven other Canadian provinces. Section 133 is the tool used by the English-speaking majority to have access to parliamentary and legal institutions through its minority. This means that all English-speaking Canadians can have access to the democratic institutions in their own language throughout the country, including Quebec, where they are in a minority, and I quite agree with that. However, the majority of the provinces, or seven out of ten, are refusing to grant French-speaking Canadians from Quebec and elsewhere the same right to access in their own language to legislative and legal institutions.

● (2050)

[*English*]

I am against this double standard in applying legislation in Canadian territory. I am truly embarrassed to realize that today, in 1981, the majority continues to impose itself, even where the members of its group are in a minority, and refuses to grant the same rights to the other linguistic community. I would feel much better if we abolished Section 133 of the British North America Act, thus putting an end to the preferential treatment afforded to the majority.

All provinces should be subjected to the application of such a provision, or it should be simply deleted as was proposed by the Pepin-Robarts Task Force on Canadian Unity. I believe that the arguments brought forward by that commission are the same as those I am advancing tonight.

[*Translation*]

Moreover, I am not the only one to hold that view. My colleagues of the Ontario branch of the Liberal Party of Canada unanimously passed the following proposal last fall. I will spare you the preamble, but the resolution reads as follows:

. . . Resolved that this meeting of the Liberal Party of Canada (Ontario) firmly support the application of Section 133 of the Constitution to Ontario.

[*English*]

Even public opinion supports this position which seems to indicate that the population is often more awake than certain politicians would lead us to believe.

At the provincial level, an opinion poll commissioned by *The Globe and Mail* revealed that in Ontario more than 53 per cent of the population agree that the province of Ontario should be bound by Section 133. In my own riding of Ottawa-Vanier, this figure exceeds 66 per cent, according to an opinion poll taken in October, 1981. Over 83 per cent of the population in my riding demand that francophones outside Quebec be granted the same constitutional rights as those granted to the English-speaking minority in the province of Quebec, namely, a completely autonomous education system, which we do not have in Ontario, and the right to use their own language in the legislative assemblies and the courts. Under the present resolution this equality of treatment is denied francophones. For this equality to exist, Section 133 should either be made applicable to those provinces which are not bound by it, or be abolished in the provinces of Quebec and Manitoba.

[*Translation*]

Now who objects to that? The Ontario Premier, Mr. Davis, of course, and several of his provincial counterparts. The federal government was compelled by Mr. Davis to accept this way of thinking in order to get his support. At that time, since eight provinces out of ten rejected the patriation proposal, the Prime Minister had no choice. Besides, he stated at a recent press conference that nothing would please him more than to compel Ontario to recognize its francophones by forcing Section 133 on that province; but the interplay of political alliances prevented him from doing so. *La Presse* reported in its edition of Monday, November 23, the comments of Premier Davis who said, and I quote:

It is quite obvious that our strong objection to Ottawa's initial intention to review Section 133 of the Constitution in order to institutionalize bilingualism has led the Canadian government to give up that idea.

Mr. Davis, on the other hand, claims that Ontario should not be forced to grand francophones these rights, that Ontario would do it at its own pace, that is, slowly. Need I remind hon. members of all the battles fought by francophones in Ontario to get a few statutory privileges. Need I remind hon. members, to question the good will of Mr. Davis, of the painful clashes I witnessed as school trustee from 1966 to 1979? Sturgeon Falls in 1971-72, Cornwall in 1973, Elliot Lake in 1974, Windsor-Essex, Penetanguishene, and this is only in Ontario, Mr. Speaker, but I could mention similar battles now being fought all over Canada. Mr. Speaker, I should like to read the preamble of the Ontario legislation creating a French school in Essex. I think this preamble is quite eloquent about the legal recognition of francophones in Ontario. I quote:

The Constitution

[*English*]

An Act to require The Essex County Board of Education to provide a French-language Secondary School

Assented to July 12th, 1977

WHEREAS the French-language advisory committee of The Essex County Board of Education has, since 1969, consistently recommended that a French-language secondary school be provided; and whereas, upon such recommendation having been rejected by the Board in the year 1974, the Languages of Instruction Commission of Ontario recommended that the Board provide such a school; and whereas The Essex County Board of Education, having initially rejected the recommendation of the Commission, subsequently agreed in April, 1975 to proceed with construction of a French-language secondary school, but on and after the 23rd day of February, 1976 ceased to proceed therewith; and whereas a mediator appointed by order in council No. 1452/76 recommended in February, 1977 that the Board build such school, but the Board, on or about the 8th day of March, 1977, decided not to build the school and it is now apparent that no such school will be provided at this time; and whereas there are sufficient French-speaking secondary school pupils resident in or adjacent to the area of jurisdiction of The Essex County Board of Education who have elected to be taught in the French language to warrant the provision of a French-language secondary school; and whereas the public interest, and in particular the interests of such French-speaking secondary school pupils, require that such a school be constructed;

Therefore, Her Majesty, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

And the bill followed nine years after the formal recommendation, Mr. Speaker.

[*Translation*]

The meagre comfort we have obtained from the Ontario government over the past 100 years is the result of bitter fighting such as that I have just described. And Mr. Davis would have us believe that he will grant us additional rights when the Constitution will allow him not to. Let us not dream in colour, Mr. Speaker. One of the best ways to ensure that linguistic minorities enjoy these rights forever is to spell it out in the Constitution. Because the current resolution fails to do so, I must in all conscience voice my opposition. The resolution is incompleted and unfair to francophones. It will create two classes of citizens. It will create a checker board country of legal exemptions. I am sure we could do better, much better.

Another aspect of this resolution which reveals even more its real worth, is the presence in the Charter of a great many *non obstante* clauses. These clauses of course are the result of the negotiated compromise between the federal government and the nine provincial governments. However, if we reflect upon the result of that compromise we realize that this resolution is probably the only federal document which has to rely upon provincial jurisdiction or legislation to become operative. As I pointed out in an earlier speech, that is a good example of a situation where the government of Canada proposes and where provincial governments dispose. How then can we speak of a Canadian constitution? We should instead speak of a constitution of the Canadian provinces made possible through the federal government. Those numerous opting-out clauses leave us in a rather strange situation, Mr. Speaker. I see that you are about to rise. I do not know whether my time is up, but I would seek the unanimous consent of the House to finish my speech because I have only a few pages left to read.

Mr. Deputy Speaker: Is there unanimous consent to allow the hon. member to continue?

Some hon. Members: Agreed.

[*English*]

An hon. Member: Relevancy. Remember there is an amendment on the floor.

Mr. Gauthier: I thank hon. members for their consent. I will speak for another three or four minutes at most.

An hon. Member: Speak about the provincial territories.

[*Translation*]

Mr. Gauthier: To put it another way, a Canadian citizen anxious to travel in his own country will have to check very carefully, before leaving his province, how the constitution is interpreted in the provinces where he intends to stay. For instance, if he were to be arrested his legal rights might vary when he crosses a border. Faced with what may be a great number of rights which are applicable or not applicable, the least one can do is wonder whether one is still in the same country or in a federation of different countries. Despite this imbroglio of legal situations which might develop and which I find deplorable, I can fully appreciate the spirit of compromise and co-operation which paved the way for the present agreement. I am all the more pleased to see that this spirit of compromise is enduring, as we have noticed in the past two days. It is that same will to compromise which enabled the governments to return to the bargaining table and redefine a new constitutional agreement which now includes the right to equality for Canadian women and the acknowledgement in our constitution of the rights of the native people.

On these two issues, Mr. Speaker, I am in complete agreement with the position taken by the government of Canada. In view of these demonstrations of good will and of compliance with the true spirit of federalism, I seek the support of all members so that our Constitution will recognize, apart from the rights I just mentioned, the right for citizens of both official language groups to an equal treatment. In fact, Mr. Speaker, that simply means the implementation of the motion I introduced today under Standing Order 43 to ask that all provinces recognize the linguistic duality of Canada and be subjected to Section 17(2), 18(2), 19(2) and 20(2) of the resolution. That would establish in law the equality sought by both language groups. I therefore ask that the government and this House introduce an amendment to that effect, since I cannot do so for reasons of parliamentary procedure. I hope Mr. Speaker that I have made my position clear.

● (2100)

[*English*]

Mr. Deputy Speaker: Hon. members have heard the amendment moved by the hon. member for Yukon (Mr. Nielsen)

seconded by the hon. member for Nepean-Carleton (Mr. Baker).

The hon. member for Nepean-Carleton on a point of order.

Mr. Baker (Nepean-Carleton): Mr. Speaker, I was rising to speak in the debate.

Mr. Deputy Speaker: The hon. member for Nunatsiaq (Mr. Ittinuar).

Mr. Peter Ittinuar (Nunatsiaq): Mr. Speaker, I am relatively happy to speak to this motion moved by the hon. member for Yukon (Mr. Nielsen). I wish it was unnecessary. It has been a concern since the first ministers' conference two and a half weeks ago, first brought to our attention with full impact by the Legislative Assembly of the Northwest Territories. Certainly it is one that I, as one of the members aspiring for autonomy in the far north on an equal basis with the provinces, would wish to see deleted so we as northern people can proceed with plans in this respect.

It was inconceivable to northerners, both from the Yukon and the Northwest Territories, that the premiers of the provinces could have deliberately agreed to expand their powers to the point of stealing what rightfully belongs to other people. This in itself is unconstitutional. I am sure, under the same circumstances, that all members of the House would react in the way that the assemblies of the two territories and all northern people have reacted.

Therefore this matter is certainly one that the federal New Democratic Party has been concerned with. The day before last the hon. member for Skeena (Mr. Fulton) moved an amendment which I had the honour to second, stating that any changes to the boundaries or political status of the territories should be done only with the consent and participation of the people inhabiting those areas. This is only just. Every person in this country knows that. Most assuredly, the premiers knew that when they agreed to the November 5 accord.

I would like to quote from several documents that might help enlighten people. First, a resolution was passed unanimously in the Yukon Territorial Assembly which reads as follows:

> The Yukon Legislative Assembly supports the efforts of the Legislative Assembly of the Northwest Territories to have clauses 41(e) and 41(f) of the Constitution Act, 1981 now before the House of Commons removed and that this legislature further seeks the inclusion in the Constitution Act, 1981 of a clause that will provide for the capability of new provinces to be created under similar circumstances to the British North America Act of 1871.

Second, a resolution was passed in December 1867 in this Parliament asking for jurisdiction over the northwestern territory and Rupert's Land, which states:

> —to grant to the Parliament of Canada authority to legislate for their future welfare and good government; and we most humbly beg to express to Your Majesty that we are willing to assume the duties and obligations of government and legislation as regards those territories.

Further to that, I quote from the preamble to the Rupert's Land Act which outlined the terms under which the land transfer was made, which reads as follows:

> —and to grant to the Parliament of Canada authority to legislate for their future welfare and good government upon the terms and conditions therein stated.

In light of that act, it is clear that the inclusion of Section 41(1)(e) and (f) is a violation of trust and an abdication of the federal government's responsibilities to the territories. By taking this power for themselves, the provinces have made an incursion into federal jurisdiction.

This means that under the powers given them by the inclusion of Section 41(e) and (f), for the first time in history provincial governments will be granted extraterritorial jurisdiction.

Section 41(1)(f) will means that no new provinces can be established without the consent of at least two thirds of the provinces whose combined population exceeds one half of the total population of Canada and the federal Parliament. Therefore, for the Northwest Territories or the Yukon Territory to become a province, it will be necessary to have the consent of eight governments. This is a marked departure from the present law and past convention, where the authority to establish new provinces resided exclusively with the Parliament of Canada.

This is not acceptable. How would one of those provinces like to be under similar circumstances? I do not think it would like it. We can only assume that, having deleted the aboriginal and treaty rights section from the Constitution Act, 1981, the provinces would never allow northern peoples, no matter how far down the road, the right to look forward to the attainment of full, responsible government under the same conditions and privileges that other Canadians have enjoyed.

This is elitist thinking and repugnant to a society which calls itself democratic. It is repugnant to this party in view of the fact that it is the federal NDP policy to support the right of territorial peoples to self-determination.

In this regard, northern people are realists. We do not ask for provincial status now, but wish to have it when we are ready. We do not expect to own all the resources in the north. However, Bill C-48 takes care of that. Constitutionally, we do expect to have the right to the same political development that all other Canadians have enjoyed. For the moment, while we prepare for advancement in the political sphere, we wish to remain under federal jurisdiction. This jurisdiction was further confirmed under the British North America Act 1871 which, by the way, is included in Schedule I of the resolution. An oversight by the premiers? Perhaps.

To northerners the possibility of provincial takeovers leaves us feeling something akin to what Canadians would feel if the Constitution of the United States included provisions for extending state boundaries into Canada. In the north we have a national identity which is based on our loyalty to our country, but we also have another identity deeply rooted in the fact that we are northerners.

We do not wish to be annexed, and we particularly do not like the scenario of losing our status as residents of a territory through constitutional provisions which we had no part in developing. There were no territorial government representa-

tives present to defend the autonomy of territorial lands, and so Section 41(e) and (f) made its appearance in the Constitution.

The nine premiers, eight of them Tory I might add, who signed the constitutional accord naturally have a stake in leaving the way open to extending their boundaries, particularly considering the fact that the areas into which they would move are a resource developer's dream. Fossil fuel and mineral resources are considered to be in abundance in the north. The only surprising aspect of this development is that the federal government did not balk at the possibility of future loss of control over the Canada lands which the oil and gas act so ably ensured.

All Canadians would surely empathize with the situation which faces us in the north if they would consider their own reactions under similar circumstances. It is essential to future north-south relations in our own country that the northern territories be allowed to develop within the Canadian tradition in ways which fully involve us politically. The deletion of Section 41(e) and (f) is a small but essential step in this direction.

● (2110)

Hon. W. Bennett Campbell (Minister of Veterans Affairs): Mr. Speaker, it is with a great deal of pleasure that I rise to take part in this historic debate. I am sure that all hon. members share in the sense of achievement that is represented in the resolution before the House. It is not every session, nor even every year or indeed every decade, that a subject of this significance is brought before Parliament. I do not believe there will be many such occasions in the future to discuss a matter as fundamental as the Constitution of a country itself, because it is not every year that amendments are brought forward to a matter as important as this.

Because of the historic achievements, I wish to pay particular tribute to those who have been most responsible, especially to the Prime Minister (Mr. Trudeau) who has presided with wisdom and grace over the whole process of constitutional discussions and who, I suggest, Mr. Speaker, will be recognized and acknowledged as the architect of a truly Canadian Constitution. I also pay tribute to the Minister of Justice (Mr. Chrétien), and the provincial premiers and to all hon. members of the House who have debated and discussed this matter, not only in the House but also throughout the country. I also want to add commendations to the literally thousands of Canadians who have participated not only before the committee but in public discussion and who have made their contribution to this Canadian Constitution, because I know that all Canadians share in this achievement.

There is also another reason I am proud to take part in this debate. It is a very special reason. I am a resident of Prince Edward Island. In 1864, 117 years ago, the first meeting to discuss the concept of confederation of the British North American colonies was held in Prince Edward Island. I sat as a member of the Legislative Assembly of Prince Edward Island for more than ten years, in a building called Province House, known throughout Canada as the cradle of confederation. It is designated today as a national historic site. It was in that building, just down the hall from where the Legislative Assembly still meets, that the Charlottetown Conference was held.

Of that meeting, Sir John A. Macdonald said that if the Charlottetown conference had not been held, never, perhaps for a long series of years, would we have been able to bring confederation to a practical conclusion". As a distinguished Canadian historian, Peter Waite, correctly noted, the Charlottetown conference "Was more than a Canadian triumph; it was the first appearance of an authentic national spirit".

I think it is rather fitting, Mr. Speaker, that during these days when the logical culmination of that original conference is taking place, now as Parliament is taking steps to bring the Constitution to Canada, workmen are putting the finishing touches to the restoration of those confederation chambers in Charlottetown. The building, under Parks Canada, is being restored to the way it was at the time of the Charlottetown conference. It is rather interesting that as we put the finishing touches to this constitutional debate, the finishing touches are being put to the chambers where the idea of confereration itself first took root.

I may be forgiven a certain sense of pride as a Prince Edward Islander because the spirit of confederation really had its birth there. I think it is also useful to look at the resolution that is now before us in two ways. It is, as I said, the logical culmination of the original drafting of the British North America Act. No one in the House or in the country will disagree with the patriation of that act. I believe then, first of all, that we should look at this measure as the fulfilment of a broad range of historical imperatives. As the Minister of Justice so appropriately observed at the beginning of this debate in quoting the words of George Brown, the original Constitution was not a perfect document. Even with the measures that have now been incorporated into it, it is still not a perfect document. Yet it fulfills in many respects the spirit of the Fathers of Confederation. That spirit, those historical imperatives, saw a united Canada from sea to sea. There was a sense of cultural and linguistic diversities throughout the country and a respect for those diversities. There was a recognition of the special needs and the opportunities of each region.

While as a Maritimer I cannot say that the national policy served us extremely well, it is not because of the constitutional framework but because of the loss of that spirit of sharing which was inherent in the concept of confederation at the beginning. Perhaps the original framers were at fault for not including the guarantees. Perhaps the euphoria of nation-building obscured consideration of practical realities as they might and did emerge. In any case, I am happy to see that this resolution not only captures the original spirit of Canada from sea to sea but also confirms and incorporates the commitment of Parliament to those principles.

This brings me to my second point, Mr. Speaker. This step does not only represent the fulfilment of a process which began

more than a century ago, it also represents the beginning of a process, the laying of a foundation for the future of federalism in this country. Not only does it catch up to present realities, it is also forward looking. The entrenchment of native rights, the rights of women, the principle of equalization, embodies some very basic principles which have served this country well and will continue to serve it in the years ahead. It is more than a measure which reflects the state of our country, of our national psyche, at a given period in our history.

It is not simply a measure which is frozen in time. The resolution is both the fulfilment and the promise of the very framework of this country. It is a recognition, a reconfirmation of our confidence in the federalist system, a system which has served us well before and which will serve us better in the years ahead. It is a reconfirmation of a national spirit which was first conceived in Charlottetown, and it promises the opportunity for the continued evolution of the federal character of our country in response to future changes throughout society as a whole.

We talk about the nature of the resolution before us. Over the last number of months we have had a great deal of discussion about the general character of federalism and what it means to all of us. We heard discussions ranging from a preference for a strong federalist system to preference for what has been characterized as a system made up of a "community of communities" where a jurisdiction is transferred from one level of government to the other. In one area there is total jurisdiction for fisheries and in another area there is total jurisdiction for mineral resources, thus areas are abandoned and transferred from one level to the other.

● (2120)

It is very important within this process to ensure that we not only project the federalist system; it must also be changed and must respond to the changing society and country in which we live. I do not mean this in a narrow legalistic sense. I mean it must reflect the co-operative achievement of Canadians working together for a common goal. At the same time—it is clear that we must recognize the diversities of our great country. In fact, I have argued that, because of the unique circumstances of Prince Edward Island, special responses to its needs and opportunities were essential. But I also recognize that a precondition to all that, whether it be the capacity to respond to the diversities of regions or provinces or individuals, is the maintenance of a strong federal system which is crucial to the continued existence of the country.

The Charter of Rights and Freedoms removes the prospect of the exercise of arbitrary political power interfering with the basic rights and freedoms of individuals, just as the entrenchment of the principle of equalization ensures that provinces such as Prince Edward Island will continue to play their legitimate role in the context of a strong federal system of government. On those grounds, I repeat that the resolution makes an assumption about the essential federal character of the country, which I fully endorse and support.

Throughout the entire constitutional discussions over the past decade or so—in fact over the past half century—the province I represent consistently addressed the need for a strong federal government to redress the imbalances among provinces which have existed. That principle was recognized in 1912 by Sir Wilfrid Laurier who was commenting in the House of Commons on a brief brought before the federal government by the province of Prince Edward Island. "The one reason for recognizing the case presented by Prince Edward Island which has impressed me", said Laurier, "and it is not a constitutional reason, it is not a legal reason, it is a simple question of equity . . ."

I am proud to see the question of equity entrenched in the Constitution, not just as it applies to the provinces, but also as it applies to women, to native people, and to all individuals throughout the country. It would be a shame if that principle, that spirit of equity, were not shared by all governments and by the people they represent. At the risk of making an understatement, the Constitution is a good thing. But it will fail if its spirit and intent are not fully shared and endorsed by the people of Canada and their governments.

As Minister of Veterans Affairs I am deeply aware of the spirit of sacrifice on behalf of the principles of freedom, justice and equity which Canadians before us have made. We can be faithful to that spirit by supporting the resolution. It has been remarked that various enactments contained in the resolution will create a lot of business for lawyers as the legal applications are tested before the courts. I hope that is not the case, not because I want to see lawyers lose business but because it would seem a shame if the spirit and intent of the resolution were diminished by legalistic bickering. Yet, as I said at the outset, the constitutional package represents an excellent start in the process of enabling Canadians to determine the constitutional framework which best serves their needs, while embodying certain fundamental principles which are essential to the future wellbeing of the country and of all Canadians.

There are opportunities for further improvements, but I believe this package provides a sound base upon which to continue to work for the achievement of our common goals in the future. With the patriation of the Constitution, the process will now be in the hands of Canadian citizens.

In conclusion, this package represents not only the fulfilment of our historic aspirations as a country, but also the framework and the basis for our future growth as a nation and as a people. I commend the way in which it has redressed the deficiencies and also the way in which it has ensured the principles of equity and freedom in our future. The original agreement was not forged out of revolution but because reasonable people sat down together. Although it has taken more than a half a century to reach this point—which in itself speaks volumes about the Canadian experience—I believe historians will regard this package as one of the significant achievements of Canadian nationhood and statecraft. It is more than a constitutional package; it is a reaffirmation of our faith in the country.

Some hon. Members: Hear, hear!

The Constitution

Hon. Walter Baker (Nepean-Carleton): Mr. Speaker, I am conscious, when I rise in the House this evening, that I am following a very distinguished speech by a very distinguished member of the House, a former premier of Prince Edward Island and a former leader of the opposition in that chamber who sought refuge in this Chamber. Having been part of the life of Prince Edward Island during the period of time when he was seeking refuge here, I welcome the statesmanlike quality of the hon. member's contribution to the debate.

Some hon. Members: Hear, hear!

Mr. Baker (Nepean-Carleton): When I came into the Chamber tonight, I did not think I would be following a former premier and a former leader of the opposition. I am pleased that it was a person from other than central Canada.

He said something in his speech which has been brought home to me in the nine years I have been a member of the House of Commons, something which perhaps Canadians forget, that is that a solution which might be dreamed up by a government to apply nationally sometimes does not apply as appropriately in British Columbia or Prince Edward Island as it might in Ontario. What might be appropriate for the hon. member's part of Canada might not be appropriate in western Canada. This speaks to the great diversity of the nation and to the reason why the Fathers of Confederation made a great journey down the St. Lawrence by boat to Charlottetown in 1867 and made the happy return journey to Quebec. This speaks to the reason for having a federal system. We are different, we are different. If we do not realize this, we will miss something as Canadians.

This debate started off in the fall in dreadful rancour. If it meant anything at all as it moved from its stage in the fall to now, it was that somehow or other respect for the importance of the differences in Canada was seeping into the minds of hon. members of the House and of members of the Canadian public who were watching—the differences of region, of development, of language, of race, of time, and the differences in people coming to Canada for the first time. As a result of this debate I hope that, whatever else comes of it, we will begin again the process of understanding what Cartier and Macdonald began in 1867.

The hon. member spoke of confederation. What is confederation? It is a difficult term to describe. Certainly it is similar to a marriage. Certain things are written down and codified about the relationship of marriage, and those things are enforceable between husband and wife. If the husband does not live up to his obligations or his wife does not live up to her obligations in a marriage, the offended party can take the other to court and enforce those rights against the other.

● (2130)

But written words do not keep a marriage together nor do they keep a marriage alive. The things important to domestic peace in marriage are the things that are unwritten, the things that cannot be legislated, that are as simple and straightforward as they are profound. Those things are respect, understanding, love, sharing, compromise, trust and forgiveness. They are what grease the wheels of marriage. I have a feeling, Mr. Speaker, that they also grease the wheels of nationhood.

It has been the lack of those elements between the two levels of government in the last while that has caused so much trouble in the Canadian family.

If we have seen precious little of those virtues, then the brilliant judgment of the Supreme Court of Canada pointed the way to peace, to the state where we could begin to talk to each other, to where we were given a second chance as a country, and our leaders were given a second chance to begin again the search for the resolution of some of our difficulties.

Hon. members will recall that at the time of the judgment what was on the minds of us all was what the leaders of the country would do with that time. Would they squander it, begin again the exercise in confrontation that had gone before, or would they begin to talk to each other rather than at each other.

I think all of us in the House tonight can say to the Premiers, can say to the Prime Minister (Mr. Trudeau), can say to the Minister of Justice (Mr. Chrétien) and the others who were involved in those negotiations that they did not squander that time. We are now at the point in the debate where we are considering a new confederation for our country. This is what it amounts to.

The so-called "gang of eight" opposed to what was happening has become the "chorus of nine" in favour. Those who had opposed the very idea of entrenching a Charter of Rights and Freedoms of some kind in the Constitution of Canada are now consulting with ministers of the Crown, with the Leader of the Opposition (Mr. Clark), and with the hon. member for Provencher (Mr. Epp), about how it should be improved. Such is the change in attitude.

Whereas the amending process was a stumbling block to agreement because it gave unnatural powers to the central provinces at the expense of others, somehow or other we have agreed upon the keystone of federalism, that is, the power to amend our Constitution ourselves.

I say to you that at the end of this exercise, Mr. Speaker, this document will go to Great Britain and we will have patriation. We will have the right to amend the Constitution here, again and again and again if we choose.

I listened tonight to the hon. member for Ottawa-Vanier (Mr. Gauthier) who spoke rather feelingly of what is a charter of rights and freedoms. If I quote him correctly, he said that a charter of rights in a Constitution is designed to protect the rights of minorities against majorities.

Hon. members may recall that last fall I said in the House that the rules of practice, what is in Beauchesne, what is in the parliamentary tomes, is that the majority does not necessarily have the right to rule. We protect minorities in the country; we have to protect minorities here.

I listened to the hon. member speak—he did not speak before in the debate—and tonight he spoke with feeling from

his own position. I could understand how he felt. I personally felt that way last fall. As I listened to him, I said to myself that he should have faith in this new beginning because this Constitution has within it the right of all of us as Canadians to participate in advancing rights. That is an important feature.

When the accord was reached, there were some who said that it should not be changed by Parliament. "Don't rock the boat" said the Minister of Justice (Mr. Chrétien). I suggest we have improved the boat. We have added equality of the sexes. We have had unanimous agreement today with respect to the rights of the native people.

We are now talking about an amendment, which I hope will be supported in the House and which I hope will meet with agreement, that will allow the people of the Northwest Territories and the people of Yukon, those people north of 60, to feel that their opportunity, when they want to exercise it, to become a province like Prince Edward Island, like Ontario, like Quebec, like Alberta and like British Columbia, is not taken away from them.

Some hon. Members: Hear, hear!

Mr. Baker (Nepean-Carleton): I think that is worthy of support. They want only to preserve the right to realize their future aspirations.

I have not travelled much, but I have been in the north several times and I can attest to the spirit of enterprise and the spirit of the future of the people in northern Canada. I think we in the House owe them passage of this amendment. I hope it can be done. I do not say anything tonight in a partisan sense, Mr. Speaker.

The Minister for Veterans Affairs (Mr. Campbell) was kind enough to mention that all members of the House had contributed to bring us to the point at which we are now, and he is right. The resolution before us now is different; the amending formula is different; the Charter of Rights and Freedoms is different, and the differences in Canada are respected in this document.

The Supreme Court of Canada was allowed to function. It brought down a judgment which I say is a brilliant judgment, one that could not be picked apart. It gave the country a second chance. It said the government had a legal right to do what it wanted but to beware if it moved without substantial provincial support. It would be unconstitutional and, I think, divisive and damaging to the country. We have reached a new plateau.

In his kindness in paying tribute to all members of the House, the minister included the Leader of the Opposition. I hope hon. members will allow me to say something about my leader and his part in this process.

There would not have been renewed negotiations but for the steadfastness of the Leader of the Opposition who inspired a sense of commitment to the importance of consensus in the constitutional process.

Some hon. Members: Hear, hear!

Mr. Baker (Nepean-Carleton): There are many who may disagree with my leader. It is a free country; they can disagree with him if they want. Of course, he reserved the right to disagree with them. He believed in the importance of consensus, in understanding and compromise, and he fought for those things.

● (2140)

I say with as much modesty as I can muster that it was my party which led a battle in the House. It was not understood early in the battle that it was to delay the process, to delay a steamroller, which we honestly believed was wrong. Ultimately, the courts were allowed to decide and make that historic landmark judgment.

I was very proud to be the House leader of the party during that process. I must say that I am delighted not to be the House leader of the party today. When I listened to the point of order being argued today, I was delighted to be able to sit as an observer, because as my friends know, I have argued many points of order before. However, it was important. I do not say this in a partisan sense, looking back on it now, because it is the way things have evolved. However, hon. members will recall that this former resolution was to be in Britain by Christmas—

An hon. Member: It will be.

Mr. Baker (Nepean-Carleton): —Christmas of 1980. It is best for the country that it was not there in 1980 because I believe—

Some hon. Members: Hear, hear!

Mr. Baker (Nepean-Carleton): —we would have done great damage. I want to pay tribute to my leader who, right from the outset, said where he stood and never changed his ground. In his speech the other day, he indicated the importance of having Quebec at the table of the accord. He said that we, as a party and as a Parliament, should grasp every opportunity to keep alive any chink of light there might be to have Quebec as part of that accord.

It is important to repeat again and again that there will be an empty chair at the table of confederation if the House approves this resolution. It is important that we keep that chink of light alive if we can because this is not the end of the constitutional process. This is, by virtue of the Constitution itself, the beginning of the constitutional process, a process which will go on as long as this country exists. All of us, everywhere, must try to keep that alive.

I do not know the attitude of the government of Quebec. However, I believe it is important that, whatever we do, we hold ourselves open to the people of Quebec. That is why my leader has proposed an amendment in terms of full compensation for opting out. That is important, as he stated so well to the people of Quebec. That is why I hope that in the discussions he is having there could be some settlement with respect to the issue of language.

I want to see the Canada clause adopted in that province. I am a Canadian. My children will grow up in this province as Canadians. I would like them to be able to go to that province. My friends on the other side shake their heads, suggesting that it may be impossible, and it may be; but my case is only that that chink of light should be kept alive if it is at all possible. Governments come and go. Public men come and go. As they come and go, attitudes change and societies evolve. Surely, we would want the society in Quebec or elsewhere to evolve so that, as the hon. member for Ottawa-Vanier said, the override clause could be diminished so that rights would be completely entrenched, if they are there at all. This would mean there would be no opting out and there could be no absence from one chair at the table of confederation.

Your Honour can judge from what I say, that I am overjoyed that we have moved from the process of confrontation to one where I feel a great sense of coming together. I think it is important that the resolution go forward with the broadest support we can muster in the House of Commons. We have spent a great deal of time. I believe now, as I look back on it, that time has not been wasted.

Some hon. Members: Hear, hear!

Mr. Baker (Nepean-Carleton): There are some things in this country that we must tackle, as they are very important to Canadians who may be watching this debate and wanting this debate to end quickly. I want it to end quickly. I want the government to be able to move quickly, regardless of what the vote may be in the House of Commons.

I believe we have demonstrated that Parliament is not the rubber stamp of federal-provincial conferences. We have now demonstrated, in at least two instances, that there is room to improve even their good work, that their work is likely the first word and not the last word, and that this is the Parliament of all Canadians.

I hope that hon. members of the House will approach the amendment put by my successor as House leader, my colleague, the hon. member for Yukon (Mr. Nielsen), in the spirit in which he put it; namely, it is important that we keep the principle of equalization for women and for the aboriginal people of the country entrenched in our Constitution, and that people be allowed to move freely from province to province. Equally, people who want to form provinces, and people who want to protect the boundaries to protect their potential to form provinces, should have that right. That is why, as a person who has been a visitor north of 60, I make a plea to my friends in the government to accept this reasonable amendment put forward by my colleague, the hon. member for Yukon.

In the dying days of the debate, I do not think I will participate in this constitutional debate any further. I appreciate the latitude that Your Honour has allowed me. I feel very much like the hon. member for Ottawa-Vanier felt, as he had not participated in the debate either. I had the opportunity sooner. We will engage in many things, but none more profound than what we are concerned with now.

I want to thank my colleagues on all sides for their kind attention to what I had to say.

Some hon. Members: Hear, hear!

Mr. Maurice Dupras (Labelle): Mr. Speaker, I wish to begin my remarks in the debate on this resolution by praising my predecessor, the distinguished hon. member for Nepean-Carleton (Mr. Baker). I listened to his speech and I was very impressed by the quality of his contribution to the debate. I did not expect anything else. I knew in advance that my friend, the hon. member for Nepean-Carleton, would bring a constructive contribution to this debate. It is unfortunate that he could not inspire his colleague, the hon. member for Joliette (Mr. La Salle).

[*Translation*]

It is a shame, Mr. Speaker, that the member for Joliette did not choose to make the kind of speech just held by his colleague from Nepean-Carleton. However, I would have liked to have heard from my respected colleague from Nepean-Carleton how he intends to convince Mr. Davis, the Premier of Ontario, to recognize minority rights in Ontario, as demanded by my colleague from Ottawa-Vanier (Mr. Gauthier), on the same terms as they are recognized in New Brunswick and Quebec. I hope that the member for Nepean-Carleton will be able to convince his colleagues and Mr. Davis that they would be well advised to do so. In fact, if national unity is the issue, Mr. Davis should be made to understand that the Progressive Conservative members in the House of Commons are supporting this petition being made by the members from Quebec on behalf of the people of the Province of Quebec. And contrary to the claims of our colleague from Joliette, although the Government of the Province of Quebec is not represented among the signatories to the agreement, Quebecers do not lack representation. And this, Mr. Speaker, is because the main architects of the new constitution are people from the Province of Quebec—I see that my colleague from Nepean-Carleton agrees. Since I have only a few minutes until ten o'clock, Mr. Speaker, before broaching points that are of particular concern to me, especially regarding the resolution, I wish to say a few words in praise of those who, in fact, have worked for months toward that historic moment when Canada and Canadians will have their own Canadian constitution, and I am, of course, referring to the Minister of Justice (Mr. Chrétien) and the Right Hon. Prime Minister (Mr. Trudeau).

● (2150)

Mr. Speaker, Canada enjoys an enviable reputation in the rest of the world, and that is why the world is watching us today and why observers are anxious to see how Canadians are going to deal with the issue of getting a truly Canadian constitution, how they are going to convince Canadians from every part of the country that there are tremendous benefits in national unity and that Canadians should have a made-in-Canada constitution. The same observers, whether they are

from Europe, Asia or South America, will probably be very surprised to see how passionately involved Canadians have become in their country in the course of this debate. At the beginning of November the situation seemed to have reached an impasse, but then came incredibly rapid developments and we are now actually about to create a truly Canadian constitution. And this is thanks to the spirit of co-operation shown by all heads of provincial parties, all provincial first ministers, with one exception, of course, but with 74 members in the House of Commons, one can say that Quebec is amply represented and that the interests of Quebecers are in good hands. We have been doing this for years, Mr. Speaker. If there are 74 of us, it certainly did not happen by accident, and the reason is surely that the members from the province of Quebec are dedicated to defending the interests of Quebecers.

Of course, the Government of the province of Quebec was in a position where it could not sign this kind of agreement, for the simple reason that its number one priority and *raison d'être* is to separate the province of Quebec from Canada. Would the party's militants agree to having their leader sign and become a Father of the Canadian Confederation? Imagine! I do not understand how anyone could entertain the thought that those people would be capable of coming to Ottawa in good faith and making a sincere contribution to advancing the case of Canada's Constitution. In fact, they made it quite clear that they thought it was a non-starter and that they were not interested. The whole point of their being there was to apply delaying tactics. Every time a solution seemed imminent, every time a problem was resolved, they managed to find other ways to obstruct the proceedings and to keep Canadians from getting their made-in-Canada constitution. Of course, that is part of their program. And that is how they keep the aspirations of their militants alive.

Mr. Speaker, today the Premier of the province of Quebec or perhaps I should say the provincial Premier of Quebec, is claiming that he has a veto right, which he himself had refused last April, when he acknowledged that he did not, in fact, have a right of veto. Besides, if he had been convinced that he had veto powers, he would not have found it necessary to go to the Supreme Court and ask them to decide whether two major provinces, with the Canadian Government, could ensure the patriation of our constitution with an amending formula and the Charter of Rights. If he had felt for a minute that he really had that veto right, he certainly would not have gone to the Supreme Court. Clearly Mr. Speaker, his arguments are frivolous.

I referred earlier to the contribution of the hon. member for Joliette, the Progressive Conservative member for Joliette. I had expected that his contribution to this debate would be inspired by loftier sentiments.

Once again, Mr. Speaker, he kept carping at his colleagues from Quebec. It is a nice thing in such an assembly to hear someone claim that only he can be right. This reminds me, Mr. Speaker, of that soldier who was marching out of step in a parade and saying: I am not out of step, all the others are. This is absolutely shocking and what I found most disappointing in his intervention was his lack of support for his leader. After hearing him, the first question you wanted to ask was this: Is his leader really sitting at the House of Commons or in the Quebec Legislative Assembly? And from his comments, to which we are unfortunately used, I infer that his leader is not sitting in this House but in Quebec. However, as a member of the federal Parliament addressing the constitutional proposal, it seems to me he should have supported his own leader, the leader of the federal Progressive Conservative Party in his efforts to convince his Quebec leader to sign the agreement, like his counterparts from the other provinces. But he did not, Mr. Speaker. He did not have the decency to praise his leader's commendable efforts to convince Premier Lévesque, on behalf of the Quebec people, to support the resolution as suggested and supported by the other premiers. But he may also see some political advantage in trying to turn Quebecers' minds away from matters which are relevant to them. The longer the debate goes on, the better it is for him because there are problems Quebecers have and wish to discuss among themselves, for instance the gasoline tax increase, the National Holiday scandal, the high increases in electricity rates and many other matters, such as the scandals and the mismanagement at the Department of Education. Quebec, or at least the present provincial government is pleased that the debate is still going on in this place because it keeps the people's minds occupied in every province and especially in Quebec.

Mr. Speaker, before calling it ten o'clock I would simply like to repeat how tiresome it is for us Quebecers that so much time is being spent on deciding to give ourselves a Canadian constitution. With your permission I will read a statement by one of my predecessors here in this House of Commons, the member for Labelle in the 1930s, Mr. Henri Bourassa, who upon returning from a trip—Mr. Speaker, I see that you want to call it ten o'clock, so I will wait until tomorrow to quote my colleague and predecessor, Mr. Henri Bourassa.

PROCEEDINGS ON ADJOURNMENT MOTION

[*Translation*]

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

Adjournment Debate

● (2200)

VETERANS AFFAIRS—PROCESSING OF APPLICATIONS FOR DISABILITY PENSIONS. (B) TERMS OF ELIGIBILITY

Mr. Gus Mitges (Grey-Simcoe): Mr. Speaker, on November 5 I directed a question, which appears at page 12533 of *Hansard*, to the Minister of Veterans Affairs (Mr. Campbell) concerning the recent War Veterans Allowance Board decision that expanded the definition of the term "theatre of war", to include areas such as Newfoundland and Jamaica, thereby making previously ineligible veterans pensionable for war veterans allowance purposes.

I asked the minister whether the government would give consideration to broadening further the terms of eligibility for pension benefits to include those veterans who, through no fault of their own, were stationed in Canada during the war and were not given the opportunity to serve overseas and up to now have not been eligible for pension.

I thought perhaps the minister's answer was somewhat vague. He felt sure that the War Veterans Allowance Board would continue to look at ways and means of further extending those benefits to other veterans. Does this mean that the department will eventually recognize the valuable service of veterans stationed in Canada by extending pension benefits, and that it is just a matter of time before those veterans receive pensions?

I would suggest that veterans should not have to wait until the War Veterans Allowance Board is inclined or disposed to extend benefits. I believe the minister should take steps, through amending existing legislation, so that these veterans who would have gladly gone into front line service if called upon will receive the pensions they so rightly deserve. A change in legislation is what veterans need. So I ask the minister to do everything possible to introduce legislation to amend the War Veterans Allowance Act, and as soon as possible.

There is another area of concern to our veterans I should like to mention to the minister at this time. I refer to those World War II veterans taken prisoner in Hong Kong who contracted the parasite strongyloidosis. I hope the minister will give serious consideration to the adverse and long-lasting effects this parasite has had on veterans when looking at their applications for pensions.

Long delays in processing claims for benefits are another major concern of veterans. The hon. member for Winnipeg-Assiniboine (Mr. McKenzie) has brought this matter to the attention of the House before, that is, the serious delays veterans face when applying for pensions to which they are rightfully entitled. These points are major and pressing, and they are concerns expressed by veterans' associations. We all believe these concerns are very well founded.

I realize that the Minister of Veterans Affairs has only recently been elected to the House of Commons and that it does take all of us a bit of time when first elected to get the feel of things around there. I feel confident, therefore, that the minister will be looking into those problems I have mentioned and will redress as soon as possible the injustices and inequities to all concerned veterans.

Hon. W. Bennett Campbell (Minister of Veterans Affairs): Mr. Speaker, the hon. member for Grey-Simcoe (Mr. Mitges) has in fact raised three questions. He realizes I only have two and a half or three minutes to respond, so maybe I could address the question he raised initially, that is the question of the recent decision by the War Veterans Allowance Board to expand the benefits of war veterans allowance to those veterans who served in Newfoundland.

This involves, of course, not a change in legislation but merely a change in interpretation, in that it has been determined that veterans who were transported beyond the territorial waters of North and South America and the adjacent islands while on duty were considered to have served in a theatre of war. This ruling is merely, as you know, an expansion of the previous definition of "theatre of war" for the purpose of the War Veterans Allowance Act. This expansion of eligibility was possible within the criteria which are set out in existing legislation.

● (2205)

As I mentioned in response to the question from the hon. member, with the exception of those who served in both world wars and those who suffered some pensionable disability as a result of service during either war, the act requires that a veteran has served in an actual theatre of war to be eligible for an allowance. The Board continues to review all areas of service in order to ensure that all those who served in areas of war or theatres of war be given full access to the benefits of war veterans allowance.

On the other hand, in order to extend eligibility to those persons who served in Canada only during either wars, a change to the legislation would be required. That, Mr. Speaker, raises the question, as I mentioned in my answer to the hon. member, whether such a change would be acceptable, considering it would be contrary to the legislation as originally envisaged. It has always been considered that those who did serve in a theatre of war may have been affected in ways which are not readily apparent on medical examination. Therefore, those veterans have always been in a special category recognized by the Government of Canada.

HAZARDOUS SUBSTANCES—UREA FORMALDEHYDE FOAM INSULATION—COMPENSATION SOUGHT FOR HOME OWNERS

Mr. Geoff Scott (Hamilton-Wentworth): Mr. Speaker, for many months now we on this side of the House have been trying to get answers from the government on the urea formaldehyde foam insulation crisis. I use the word "crisis"

advisedly because over the past few weeks especially, this UFFI mess has been developing into a monster of staggering proportions, a result of a gargantuan blunder by this government going back to the mid to late 1970s.

The mind boggles at the number of unanswered questions which only serve to raise more questions, more fears on the part of Canadians who were encouraged to instal urea formaldehyde foam insulation by the government, who were then warned by this same government that the substance might constitute a health hazard, who were then told that the foam was officially banned for health reasons by the government, and who now find that the government cannot appear to get its act together and come up with some positive answers, some hope, some way out of the predicament that it has put these home owners into in the first place.

The government officially banned urea formaldehyde foam insulation a year ago. What has happened since? The government has left hundreds of thousands of people hanging out to dry by ducking questions or running off in six different departmental directions. We have heard the latest chapter just in the last few days, that of lending and banking institutions becoming twitchy in terms of renewing mortgages for people who have UFFI in their homes.

I am glad to see the Parliamentary Secretary to the Minister of Consumer and Corporate Affairs (Mr. McCauley) in the House this evening. I do not envy him trying to answer some of the questions that are weighing so heavily on the minds of some half a million Canadians. But still, Mr. Speaker, I must put these questions to him because it is the Minister of Consumer and Corporate Affairs (Mr. Ouellet) who acts as the government's umbrella spokesman on the UFFI crisis. The problem is that so far in the House, his umbrella has brought nothing but more bad luck to those with foam in their homes.

I cannot believe the previous answers that the minister has given in the House that it is not the Canadian government's fault that home owners used these products in the first place or that the government must not accept the blame now. Much of the blame, says the minister, lies with the provinces.

Therefore, one question I hope the parliamentary secretary will answer tonight is how the government can use the provinces as a scapegoat for this UFFI mess. The Canada Mortgage and Housing Corporation, which granted acceptance numbers for the foam's national use, is not provincial. The Canadian Home Insulation Program, CHIP, which promoted and paid Canadians to instal the foam with CMHC's approval, is not provincial. Health and Welfare Canada, which studied, then temporarily banned, then permanently banned the material, is not provincial. Energy, Mines and Resources and Consumer and Corporate Affairs officials who refused to recommend UFFI and, indeed, cautioned against its use, are not provincial.

I hope the parliamentary secretary will not repeat the line that the provinces have to share a great deal of the blame for this mess and that Ottawa is not responsible, because if you can believe that, you will believe that Colonel Khadafy just graduated from the Dale Carnegie School of Public Relations.

While we are on the involvement of CHIP, Mr. Speaker, I would suggest that the government start preparing lists of those homes financed under the CHIP program so that we can have exact numbers and addresses, and that these numbers and addresses of every home insulated under CHIP are available. This is imperative so that if, as, and when the government decides on compensation for those who need to remove the foam and then restore homes to their original condition, people will not have to wait another six months or so.

Let me come to another very serious dimension to this UFFI problem—one of the questions which must be answered—which has come to light only in the past 24 hours. We know that anywhere from 80,000 to 100,000 homes are affected in one way or another by UFFI. What about apartments? In its investigation of the UFFI matter, has the government considered the number of apartment buildings which may have foam in them? I know of at least two large apartment complexes where the presence of UFFI has been detected and indeed verified.

• (2210)

One tenant watched the foam being blown into his apartment building about three years ago. He began suffering a scratchy throat and put a humidifier in his apartment. When UFFI was banned, he went to his property manager to ask if the foam was in the building. When he got an evasive answer, he had the health department team in to test his apartment. The reading was just a touch below the federal Health and Welfare Department's proposed safety level. He informed the apartment owner, asked if any other tenants in that apartment building had testing done, and was told to keep his mouth shut and not inform the other tenants.

I have passed along the particulars of this situation in confidence to the Minister of Consumer and Corporate Affairs and to the provincial ministry of health in Toronto. I do not feel it is fair to alarm other tenants in that building or to have them harassed. I only use this example to indicate that the UFFI program may yet be reaching a magnitude that not even this government is aware of.

I want to make one final point in this short presentation. Of course, not everyone who has UFFI in their homes or maybe apartment buildings will have problems, not now anyway. Nobody knows whether there could be cumulative effects down the road. It is the uncertainty, the fear of the unknown, the fact that this government, which has known about the UFFI problem for so long, has been offering precious little hope to Canadian home owners. Hope starts with positive information. That is what we need. I hope, on behalf of all

those people we have been meeting across this country and who have been writing to my office, that positive information is what we get, beginning tonight, from the parliamentary secretary.

Mr. Gary F. McCauley (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): Mr. Speaker, I welcome the opportunity to respond to my good friend and colleague in the House, the hon. member for Hamilton Wentworth (Mr. Scott), whose admirable rhetoric sometimes gets in the way of the facts. I want to take this opportunity to set the record straight with respect to government initiatives relating to urea formaldehyde foam insulation. From the outset, this government has acted responsibly and speedily on this issue to ensure that the health of Canadians is protected.

Prior to November 1979, less than a handful of health-related complaints had been registered with the government against this product. An interdepartmental committee was set up to examine this issue in response to information emanating from other jurisdictions, namely the United States of America.

By September 1980 the government had received approximately 100 complaints, and an advisory committee of health experts was organized to examine the issue and report to the Minister of National Health and Welfare (Miss Bégin). Based on the recommendation of this committee, the government acted promptly and banned UFFI under the Hazardous Products Act.

Since that date of less than a year ago, the government has continued to act responsively to home owners who require assistance and information. On June 15, 1981, the UFFI Information and Co-ordination Centre was established by the government to provide information to the public, administer a national testing survey and co-ordinate federal efforts. A toll-free telephone system was set up, which to date has responded to over 10,000 inquiries.

A series of information booklets has been written and disseminated to thousands of individuals. Further publications are planned. Important and promising research is under way which touches upon the use of neutralizers, the effectiveness of remedial measures and the structural effects of UFFI on homes.

On August 24 of this year the government announced that 2,400 homes would be tested to determine formaldehyde gas levels, with special priority given to home owners reporting medical problems. This survey is now completed and an analysis of the results is under way.

Unfortunately, due to the restraints of time, it is impossible for me to touch upon all the elements and history of this problem. I do, however, wish to comment on a particularly important facet, and that is the board of review which was established under the Hazardous Products Act. This board is conducting public hearings into the safety, history and use of UFFI. Thousands of pages of testimony have been recorded and over 250 exhibits have been filed. Hearings have taken place in Halifax, Montreal, Ottawa, Toronto, Calgary and Vancouver. The board has heard virtually any individual wishing to present evidence, including consumers, federal and provincial government officials and members of the business and professional communities. As can be readily seen, Mr. Speaker, the government has reacted quickly to this situation by putting in place a program that responds to this very complex issue. The Minister of Consumer and Corporate Affairs (Mr. Ouellet) has stated on several occasions that the government must have available valid, scientific data on which any further government action can be based.

• (2215)

The formulation and analysis of this data is being actively pursued.

The Acting Speaker (Mr. Ethier): Order, please.

RAILWAYS—EMPLOYEES HOURS OF WORK

Mr. Sid Parker (Kootenay East-Revelstoke): Mr. Speaker, on November 6, 1981, I asked a question of the Minister of Transport (Mr. Pepin). It dealt with the hours of work of railway employees, who have to work as much as eleven hours without rest. As reported in *Hansard* of November 6, 1981, at page 12599, the minister answered my question by saying:

—you and others would find me doing something that is not of my competence, of my jurisdiction.

I want to say that we are talking about the minister's jurisdiction. This is the second time I have asked this minister about this problem. Tonight I will try another approach. Tonight I will put the Minister of Transport on a unit on one of the Canadian railways. We will call the minister. He will be okay for duty. He will be waiting to be called to go to work. He could get up at eight o'clock in the morning and possibly wait six or eight hours to get his call. Finally, he will be called. He gets a two hour call. He will have his meal and then will go out to work. He will climb up on a unit, with one employee on the head-end and another one on the tail-end. His train could be anywhere from 10,000 to 14,000 tonnes. He will start on the way to his destination. I want to talk about the mountainous area. It could be snowing that evening. It could be snowing heavily when he starts out. He could be anywhere from the age of 40, 50, 60 or 65, as many of them are. He will start his journey on this train going through small communities. On this train he could be carrying dangerous commodities. He will be on that train for eight, nine or 10 hours. As the train gets going, we find it at the top of the grade, and there is a passenger train down the hill, with probably 500 passengers sitting down there waiting for this train to come. The minister will be watching the signals. Mind you, he will be on duty for ten hours, he will be on duty for unable to stop to eat because he must not delay his train. He will start down that grade. I will remind the

House of the fact that 500 passengers are sitting on the train. He has been on duty for ten hours. He is weary but his contract did not provide him with the opportunity to say, "I am tired". He has to carry on because the union agreement indicated that he must. The Minister of Transport has not brought in laws so that after eight hours he could say, "I am too tired, I cannot carry on." But the passengers have no contract. They are at his mercy. What about the small village down there all these explosives on the train? The people of the village do not have a contract.

● (2220)

The Minister of Transport has a responsibility to bring forward legislation which would indicate that an employee, after eight hours on duty, should be the judge of his own condition. It has nothing to do with the contract. It is only so that the employee can say he is not fit to carry on, or "I feel fine. It was only two or three hours. I feel good, I will take my train to its destination".

Surely the Minister of Transport has a responsibility to Canadians—to those in small communities, to passengers and to others. There are railway employees who are having heart attacks at 49 and 50 years of age. Some of them die, some are demoted. At this time there are 50 railway employees paying $500 contempt of court charges because of such concerns.

Mr. McKenzie: One hour on the road, then stop for breakfast.

Mr. Parker: I am not suggesting anything like that. I am suggesting that there should be regulations covering someone who has completed eight hours of work, so that he can be a judge of his condition in deciding whether or not to carry on. This is my question. It has nothing to do with contracts or interference. It is the responsibility of the minister.

I will conclude with the following note. If the minister does not carry out his responsibility, it will be on his conscience. On top of this, he is allowing American trains to come into Canada. Those employees do not have union contracts or working agreements. They are coming into our country with no agreements, and they must work long hours. They are travelling through the same communities. It is a serious problem. The Minister of Transport has a responsibility to ensure the safety of our communities, of passengers on trains and of the public.

Mr. Antonio Yanakis (Parliamentary Secretary to Minister of Labour): Mr. Speaker, I congratulate the hon. member for Kootenay East-Revelstoke (Mr. Parker) for raising this question. I assure him that the Department of Labour is very much concerned with the situation.

In 1972, the then minister of labour appointed a commission of inquiry, pursuant to Section 62 of the Canada Labour Code, into employment practices related to a variety of classes of railway employees within the legislative authority of the Parliament of Canada which are known collectively as the operating trades or running trades. When the commission reported to the minister on October 16, 1972, it recommended that these employees be exempted from the application of Sections 29 and 30 of the Canada Labour Code because the sections could not be reasonably applied to this class of employee. In consequence thereof, and following further study by the minister, regulation No. SOR-73-246 dated May 9, 1973 was promulgated in the *Canada Gazette*. In essence, the regulation exempted the cited classes of employees from the application of Sections 29 and 30 of Part III of the Canada Labour Code. For the purposes of these regulations, hours of work are scheduled and actually worked without regard to Section 31. of the code.

It should be noted that the classes of employees who are exempt from the application of the hours of work under the provision in Part III of the Canada Labour Code are generally engaged in work in which it would be impossible to demand crew changes at the end of any given eight-hour work period.

● (2225)

It is the practice in the railway industry, and has been for years and is recognized in the collective bargaining agreements, entered into by the railways with unions representing their employees, that these classes of employees are generally paid on a mileage basis according to a formula which recognizes an agreed upon average speed of the trains, etc. Therefore, the Minister of Transport was quite right in his response of November 6, wherein he said that this matter was a matter between the employees and the employers. In view of the exemption heretofore granted—

[*Translation*]

The Acting Speaker (Mr. Ethier): I regret to interrupt the hon. member but the time allotted to him has expired.

A motion to adjourn the House is now deemed to have been adopted. Accordingly this House stands adjourned until tomorrow at 11 a.m.

At 10.26 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Friday, November 27, 1981

The House met at 11 a.m.

• (1105)

ROUTINE PROCEEDINGS

[*English*]

DISASTERS

ASSISTANCE SOUGHT TO RECONSTRUCT FISH PLANT AND WHARF DESTROYED BY FIRE IN NOVA SCOTIA—MOTION UNDER S.O. 43

Mr. Lloyd R. Crouse (South Shore): Madam Speaker, I rise to move a motion under the provisions of Standing Order 43. The loss by fire of the Riverport Seafoods Ltd. plant in Nova Scotia on September 26 brings one of the province's highest productive areas to zero growth, puts 400 people out of work, and robs the local economy of $4.6 million annually in income. Since the plant cannot be rebuilt without a guarantee from the federal government that it will replace the million dollar wharf which was also destroyed by the fire, I move, seconded by the hon. member for Halifax West (Mr. Crosby):

That the Minister of Fisheries and Oceans give an immediate indication of the government's plans for the reconstruction of this facility.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

CANADIAN ARMED FORCES

CONGRATULATIONS ON RESCUE OF CREW OF VESSEL IN DISTRESS—MOTION UNDER S.O. 43

Mr. J. M. Forrestall (Dartmouth-Halifax East): Madam Speaker, I am pleased that the Minister of National Defence (Mr. Lamontagne) has taken his seat. From time to time the House recognizes the exceptional and truly outstanding selflessness of certain individuals. Last night a handful of Canadian Armed Forces personnel from CFB Shearwater and from CFB Summerside joined these numbers. In winter's first major storm, in the mask of night, these gentlemen clearly demonstrated and distinguished the level of professionalism which is clearly the hallmark of the Canadian Armed Forces; 26 crew members of the *Euro Princess* are alive this morning because these professionals did their duty. I move, seconded by the hon. member for Hillsborough (Mr. McMillan):

That this House says, "Well done, gentlemen" to Canadian Armed Forces personnel from CFB Shearwater and CFB Summerside who participated in the rescue of 26 crew members of *Euro Princess*.

Some hon. Members: Hear, hear!

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Madam Speaker: The House has heard the terms of the motion. Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to.

* * *

TRADE

LIFTING OF LEATHER SHOE IMPORT QUOTAS—MOTION UNDER S.O. 43

Mr. Otto Jelinek (Halton): Madam Speaker, the lifting of import quotas on leather shoes this week will not only eliminate 40 per cent of Canadian shoemakers within three years, but it will have a disastrous effect on Canadian tanneries, according to Peter Dunham, President of Beardmore & Company Limited, Acton, Ontario, whose tannery was already forced to lay off 400 people. In view of the fact that we are already in a depressed economy, as witnessed by massive lay-offs in most other industries as a result of Liberal economic policies, I move, seconded by the hon. member for Brampton-Georgetown (Mr. McDermid):

That the Minister of Industry, Trade and Commerce be instructed to reconsider the timing of his negative announcement which could virtually eliminate Canadian leather shoe manufacturers, thereby adding considerably to record high unemployment and the lack of productivity in Canada.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

S.O. 43

INDUSTRY

CALL FOR PARLIAMENTARY INVESTIGATION OF CONSOLIDATED COMPUTER INC. LOSSES—MOTION UNDER S.O. 43

Mr. Mark Rose (Mission-Port Moody): Madam Speaker, I rise under the provisions of Standing Order 43. The federal government's 49 per cent ownership of Consolidated Computer Inc. resulted in the loss of more than $30 million in public funds since the government took over active management, or should I say mismanagement, of the firm 16 months ago. This black hole of public funding has now been sold for a $100,000 cash downpayment plus $7 million in future considerations. The total anticipated loss is expected to be almost $100 million, a staggering sum which might have been better used to give assistance to Canada's beleaguered home owners. I move, seconded by the hon. member for Beaches (Mr. Young):

That this House condemns the Minister of Industry, Trade and Commerce for his incompetence and mishandling of public funds and, further, to prevent a government cover-up, that this entire matter be referred to a special parliamentary committee for a thorough public investigation of this previously secret deal.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

IMMIGRATION

CHANGE IN POLICY AFFECTING FOREIGN DOMESTIC WORKERS—MOTION UNDER S.O. 43

Mr. Jack Burghardt (London West): Madam Speaker, I rise under the provisions of Standing Order 43. Yesterday the Minister of Employment and Immigration (Mr. Axworthy) announced changes in Canada's immigration policy as it affects foreign domestic workers in Canada. The result will be that this group, which has often been at a disadvantage, will be given a greater opportunity to become full contributing members of the country. I move, seconded by the hon. member for Niagara Falls (Mr. MacBain):

That this House applauds the minister for his progressive and humanitarian policy.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

THE BUDGET

CALL FOR REINSTATEMENT OF MURB HOUSING INCENTIVES—MOTION UNDER S.O. 43

Mr. Bill Wright (Calgary North): Madam Speaker, the discontinuation of the MURB incentives in the coming year will reduce the number of multiple unit starts from 9,000 to 2,000 in the Calgary area alone. In view of the fact that this action taken by the federal government will result in soaring rents and even lower vacancy rates during this period of high interest rates, I move, seconded by the hon. member for Bow River (Mr. Taylor):

● (1110)

That the Minister of Finance consider the very serious implications the discontinuation of MURB incentives has on the housing market, the construction industry and renters, and that he fully reinstate MURB incentives in his budget.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

VETERANS AFFAIRS

HEALTH OF FORMER SERVICEMEN EXPOSED TO NUCLEAR RADIATION—MOTION UNDER S.O. 43

Mr. Ray Skelly (Comox-Powell River): Madam Speaker, I rise on a matter of urgent and pressing necessity which relates to a group of veterans who served in an RCAF nuclear warfare unit. Over a long period of time these individuals were exposed to radiation and now appear to have contracted degenerative illnesses and cancer from that service. I move, seconded by the hon. member for Nunatsiaq (Mr. Ittinuar):

That the Minister of Veterans Affairs provide an order of reference to the Standing Committee on Veterans Affairs authorizing it to conduct a study into the circumstances of the veterans who served in the RCAF nuclear warfare group, particularly the present health status and needs of this group.

Second, that the Minister of National Health and Welfare authorize her department to undertake a long-term medical study of the members of the nuclear warfare group to establish if the exposure to radiation during their term of service has resulted in the contracting of cancer and degenerative disease.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

THE BUDGET

DEMAND FOR MINISTER'S RESIGNATION—MOTION UNDER S.O. 43

Mr. Gordon Taylor (Bow River): Madam Speaker, the MacEachen budget kills the incentives to invest, makes a mockery of saving for retirement or for a home in the future, continues to waste the peoples' money on such things as useless advertising, imposing metric on our people, providing excessive amounts of booze at every government function, and spending money like a drunken millionaire. Therefore I move, seconded by the hon. member for Calgary North (Mr. Wright):

That this House demands the immediate resignation of the Minister of Finance.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

SUGGESTED NAME FOR NEW BREAKFAST MENU ITEM—MOTION UNDER S.O. 43

Mr. Geoff Scott (Hamilton-Wentworth): Madam Speaker, given the universal reaction to the November 12 budget, under the provisions of Standing Order 43 and seconded by the hon. member for Brampton-Georgetown (Mr. McDermid), I move:

That this House honours the Minister of Finance for his budget by recommending to that well-known restaurant chain a new item to be inserted on their breakfast menu: Egg MacEachen.

You don't eat it; you wear it all over your face.

* * *

EXTERNAL AID

RELIEF URGED FOR TYPHOON VICTIMS IN THE PHILIPPINES—MOTION UNDER S.O. 43

Mr. Jesse P. Flis (Parkdale-High Park): Madam Speaker, I rise to call the attention of all members of this House to a matter of urgent and pressing necessity, under the terms of Standing Order 43. In view of the damaging typhoon which has destroyed south-east villages in Manila, Philippines, leaving 73 people dead, 37 injured and 40 missing, causing $9 million in crop damage, and given that Canada has always acted with swiftness in meeting such natural disasters, I move, seconded by the hon. member for Sherbrooke (Mr. Pelletier):

That this House express its deepest sympathy for the people of the Philippines who have suffered from a typhoon which destroyed south-east villages in Manila, and request the Canadian government to join with other countries in extending relief to the victims if requested to do so in an international appeal.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Madam Speaker: The house has heard the terms of the motion. Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to.

Some hon. Members: Hear, hear!

* * *

THE BUDGET

CALL FOR WITHDRAWAL OF PROVISIONS AFFECTING INSURANCE INDUSTRY—MOTION UNDER S.O. 43

Mr. Vince Dantzer (Okanagan North): Madam Speaker, the budget provisions respecting the taxation of life insurance have placed the industry in jeopardy. These ill-advised measures will have the effect of inhibiting saving, of discouraging the accumulation of retirement funds, and will generally fuel inflation. I move, seconded by the hon. member for Calgary West (Mr. Hawkes):

That this House direct the Minister of Finance to withdraw these onerous and foolish tax measures.

Madam Speaker: Is there consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

● (1115)

SOCIAL SECURITY

PLIGHT OF ELDERLY WOMEN—MOTION UNDER S.O. 43

Mr. Neil Young (Beaches): Madam Speaker, I rise under the provisions of Standing Order 43. Earlier this week the Minister of National Health and Welfare (Miss Bégin) was content to wring her hands and plead that it was not up to her, it was up to the economy, to help the 400,000 elderly women who scrape by on $5,000 a year. Members of the New Democratic Party find this to be unacceptable. I move, seconded by the hon. member for Vancouver East (Mrs. Mitchell):

That the Liberal government be condemned on the grounds of moral bankruptcy for ignoring the plight of the hundreds of thousands of elderly Canadians whom this government has wilfully committed to lives of utter destitution.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

Oral Questions

ORAL QUESTION PERIOD

[*English*]

THE BUDGET

QUERY RESPECTING POSSIBLE AMENDMENTS

Hon. Michael Wilson (Etobicoke Centre): Madam Speaker, my question is directed to the Minister of Finance. There is more evidence every day of the very great disruption which has been caused by this budget, particularly by its tax reform elements, which is undermining the investment and, therefore, the job-creation process in this country. Obviously this is a very great concern, particularly because of the serious recession we are in today.

In view of this, and in view of the response in the House by a number of the minister's colleagues while he was away on other business, that he is considering amendments to the budget, would the minister advise the House today whether, in fact, he is considering substantial amendments to the budget, which is now known in this country as the "Oops, I forgot that one" budget?

Some hon. Members: Oh, oh!

Mr. Nielsen: Alley Oop!

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, the hon. member was absent yesterday on business I am sure, when I did respond to an hon. member who inquired about the impact of the change in income-averaging annuity contracts affecting farmers. I said that I was prepared, first of all, to explain to various groups in the country the impact of changes which, in some cases, have been misunderstood. For example, I believe that in the case of farmers, they might find it useful to compare the rigidity which was imposed upon them under an income-averaging annuity contract system with the flexibility which may be available to them under the new forward-averaging system.

For example, the Canadian Federation of Agriculture has made some representations. We would like to discuss with the federation whether, in fact, the disadvantages which it perceives actually exist, or whether, indeed, there may not be some advantages to farmers in the way of providing additional flexibility.

Therefore, I have no hesitation in telling my hon. friend, first of all, that I think it is important that affected groups understand the implications of the budget. Second, if it is apparent that any changes made are not in accordance with the motivation of equity which is within the budget, then of course I am prepared to consider making adjustments. That has always been the case with respect to budgets, and it will not change in this case.

Some hon. Members: Hear, hear!

POLICY GOVERNING TAX CHANGES

Hon. Michael Wilson (Etobicoke Centre): Madam Speaker, one of the reasons the investment process to which I referred in my original question is being undermined is because the budget introduces a major change in taxation policy. It is applying new rules which affect investment decisions on a retroactive basis. This applies to people who have invested in small businesses, in high technology companies, in annuities, in junior resource companies, and those anticipating retirement allowances, who now find that the rules of the game have been changed and, in some cases, significantly changed. The result will be fewer jobs created in Canada, just to remind the minister again, at a time when we are in very serious recession.

Is the minister consciously departing from this principle of non-retroactivity in the formation of tax policy in this budget, and will that affect future budgets?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, the hon. member is constantly missing the fundamental, underlying public policy reason for the tax changes in the budget.

Mr. Andre: We are not talking about cars; we are talking about interest.

Mr. MacEachen: The burden of taxes has grown more and more as special provisions have crept into the tax system—

An hon. Member: You put them in.

Mr. MacEachen: —with the result that, at the present time, quite a considerable number of high-income people in Canada are paying absolutely no tax at all because of the tax system. They are not carring any burden. That is the first fact.

• (1120)

The second fact is that quite a considerable number of taxpayers in high-income income brackets are paying a lower proportion of their income in taxes than other tax filers in low-income brackets. What kind of a system is that in this country?

An hon. Member: You created it.

Mr. MacEachen: The hon. member is overlooking that kind of correction that we intend to make.

Some hon. Members: Hear, hear!

REQUEST FOR REFERRAL OF TAX REFORM ELEMENTS TO PARLIAMENTARY COMMITTEE

Hon. Michael Wilson (Etobicoke Centre): Madam Speaker, the minister, in his normally very self-righteous tone, is ignoring the fact that those so-called loopholes today were put in by governments of which he was a part.

Some hon. Members: Oh, oh!

Mr. Broadbent: Supported by the Tories.

Mr. Wilson: The minister is forgetting one fundamental factor. That factor is the impact of these changes on job creation in this country at a time when the economy is in serious recession.

Before I put my final supplementary question to the minister, I want to stress that I am not being provocative—

Some hon. Members: Oh, oh!

Mr. Wilson: —but the minister, because he has been bound by conflict of interest guidelines for some 15 years, has never had to make an investment decision. Those decisions have been made for him. Members of his staff and senior officials have been bound by those same guidelines. They have not had to make investment decisions. Therefore, because of his lack of experience with this process, and lack of understanding of the impact of that process on job creation in this country, would the minister consider at this time removing, as a package, those elements of the budget which come in under the entitlement of tax reform? Would he consider removing those elements from the budget and putting them before a special committee of the House in the form of a white paper for study, thereby allowing Canadians who are so seriously affected by the budget to explain to the minister, to his officials and to members of this House the implications of the budget?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, the other day that question was addressed to me by a member of the New Democratic Party who suggested that it might be useful to send the bill to a standing committee which could hear representations. The person who objected to that proposal was the hon. member for York-Peel, who suggested to me across the aisle that the place to deal with the bill was in Committee of the Whole House.

Mr. Clark: That is incorrect.

Mr. MacEachen: I think that is another illustration of the conflict of views between members of that party. We are going to have an opportunity to deal with the bill before the Committee of the Whole House—

Some hon. Members: Oh, oh!

Mr. Huntington: You are the one who mentioned Committee of the Whole.

Mr. MacEachen: —and that seems to me to be an adequate place.

The hon. member suggested that many of the tax preferences that are in the tax system had been put in by former Liberal governments. That is true. That is the case. But I must say that when I examined the tax system I was scandalized by the number of preferences—

An hon. Member: Where were you for the last 15 years?

An hon. Member: Where were you in 1971?

Mr. MacEachen: —that had crept into the system, not for the purpose—

Some hon. Members: Oh, oh!

An hon. Member: Not for the purpose of what?

Mr. MacEachen: Maybe for very laudable purposes at the time they were developed, but which have had the effect of permitting large, high-income earners to escape taxes altogether—

Mr. Clark: Blue Cross, dental care and severance pay—what about those?

Mr. Andre: What about small business investment?

Mr. MacEachen: —or other income earners to bear a lower proportion of the tax burden. That is what I am attempting to correct.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

* * *

FOREIGN INVESTMENT REVIEW AGENCY

TRANSACTIONS INVOLVING DISPOSAL OF GOVERNMENT EQUITY IN COMPANIES

Mr. Paul Dick (Lanark-Renfrew-Carleton): Madam Speaker, my question is for the Minister of Industry, Trade and Commerce. When the Canadian government owns control of a company and the government then decides to dispose of its equity to a foreign firm, giving the foreign firm control, is this transaction subject to FIRA, or because the Government of Canada is one of the parties to this transaction, is the transaction exempt from the usual FIRA process?

● (1125)

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Madam Speaker, if I am not mistaken the law provides that the disposal of companies by either the federal or provincial Crown is not subject to the Foreign Investment Review Act.

CONSOLIDATED COMPUTER INC.—REQUEST THAT SALE BE MADE TO CANADIAN FIRM

Mr. Paul Dick (Lanark-Renfrew-Carleton): Madam Speaker, as this matter has been brought up, let me say that my understanding is that there has been nothing finalized as yet in relation to Consolidated Computer. If something has been finalized, perhaps the minister could inform us.

Because the Government of Canada has announced that one of its major target industries for support is the high tech industry, and because the government has indicated that it would try to encourage Canadian firms rather than foreign

firms to buy Canadian companies up for sale in Canada, will the minister undertake not to sell Consolidated Computer, of which it owns 49 per cent, to the Japanese firm Fujitsiu, but rather to sell or dispose of the government's interest to one of the three Canadian companies which, I understand, have taken an interest in that company?

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Madam Speaker, that is exactly what we have done.

* * *

HOUSING

REQUEST FOR ASSISTANCE TO FAMILIES PAYING HIGH INTEREST MORTGAGE RATES

Mr. Ian Deans (Hamilton Mountain): Madam Speaker, I too have a question for the Minister of Finance. He makes Rip Van Winkle look like an insomniac with his answers. Where was the Minister of Finance during all those years when the loopholes were being put in by his government? Let me return to a question I asked last week.

The Minister of Finance indicated last week that he agreed with me that those people who were locked into very high mortgage interest rates as a result of a peak that took place during the summer months should be given some consideration now in trying to bring their interest rates to a level that would be more acceptable. I note with interest that some of the banks have flatly rejected any responsibility in this regard.

What does the minister propose to do to try to aid the close to 150,000 Canadian families who are locked into interest rates of 19 per cent, 20 per cent, 21 per cent and 22 per cent and who are obviously being asked to shoulder a burden far in excess of what could be considered reasonable?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, the hon. member put a preamble to his question on which I would like to make a comment. All of these tax expenditures or tax preferences were originally put into the tax system for what we expected to be useful purposes. Over time, instead of encouraging investment as much as had been intended, they have become, in addition to that, a basic way of avoiding taxes.

Some hon. Members: Oh, oh!

Mr. MacEachen: Now his leader—

An hon. Member: Answer the question.

Mr. MacEachen: The Leader of the New Democratic Party for weeks before the budget was up on his feet every day asking the government to take action to close off these tax preferences. Now that we have taken the action he hasn't got the backbone to stand up and support that action we proposed in the budget.

Some hon. Members: Oh, oh!

Mr. MacEachen: That is how the Leader of the New Democratic Party behaves. If the hon. member is going to put preambles into his questions he is going to get answers to them also.

The member has talked about those particular persons who renewed mortgages at very high interest levels. I have indicated to the hon. member that I have taken his point and will attempt, through the system that we established with the financial institutions, to see whether any adjustment can be made in those mortgage rates. That is what I am attempting to do.

* * *

• (1130)

BANKS AND BANKING

REQUEST THAT MINISTER DIRECT BANKS TO REDUCE MORTGAGE INTEREST RATES

Mr. Ian Deans (Hamilton Mountain): Let me say to the minister that, in the closing of the loopholes, he has left at least 80 of those loopholes open in terms of people being able to take unfair advantage of the tax system.

Let me go back to the housing question because it is of vital importance. To this day there are people in Canada who have paid in excess of $40 million more than they ought to have been asked to pay as a result of the inordinately high interest rates that they have been tied into. The banks have reported, just in the last two days, obscene profit margins when compared to the profit margins of most other areas of the economy. Those are being taken from people who are paying mortgages—

Madam Speaker: Order, please. The hon. member has to proceed right now to his question.

Mr. Deans: Will the minister direct the banks to reduce the mortgage interest rates for those 150,000 Canadians who are paying in excess of the going rate today?

Some hon. Members: Hear, hear!

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, the hon. member knows perfectly well that under the terms of the Bank Act which went through this Parliament during this session, and in which members of his party participated—

An hon. Member: And opposed.

Mr. MacEachen: —there is no authority for the government to give direction to the banks to establish any rate of interest.

An hon. Member: Be honest.

Mr. MacEachen: What we have done is to provide, through that act, increased competition for the banks.

I would hope that those mortgage renewals which took place during a period of very high interest rates were for a very short

term. Even so, I have told the hon. member that I will do what I can within my powers to encourage the banks to make some adjustments. But there is no authority under the law to direct the financial institutions, or any other institution in the country, to provide for any particular price. However, what the hon. member ought to be satisfied about is that there has been a very significant drop in interest rates and that many hundreds of thousands of Canadian home owners who are now facing renewals will do so under a much better arrangement than has been in existence in the last few months.

* * *

THE BUDGET

PROVISION OF FUNDS FOR COMPANY FACING BANKRUPTCY

Mr. Ian Deans (Hamilton Mountain): Madam Speaker, my final supplementary question is quite simple. If the minister wants to change the Bank Act to allow the government to have the power to set the interest rates for mortgages, we will pass it in one day.

Some hon. Members: Hear, hear!

Mr. Deans: I want to ask the minister how this government can find $91 million to waste on a company that is going bankrupt yet cannot find money to help people who are losing their homes or are paying far more than they should be asked to pay?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): The hon. member will have noticed that we have provided several hundred millions of dollars in the budget—

Mr. Deans: Not for this.

Mr. MacEachen: —to help the housing situation and we have taken—

An hon. Member: Only if they go down to the banks.

Mr. MacEachen: We have taken steps in the budget to ensure that no home owner in Canada will lose a home because of high interest rates. We made that commitment in the Speech from the Throne at the beginning of the session. I am rather pleased to be able to say in the House of Commons that no Canadian family will lose a home because of high interest rates.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

[*Translation*]

THE CONSTITUTION

ALLEGED VETO RIGHT OF QUEBEC—GOVERNMENT POSITION

Mr. David Berger (Laurier): Madam Speaker, my question is directed to the Right Honourable Prime Minister. Yesterday, Premier Lévesque, in referring to statements by the Prime Minister to the effect that Quebec had lost its veto right, said that these statements in fact acknowledged the existence of a veto right. Some members of the media appear to be rather confused by this apparent paradox. Would the Prime Minister say that the alleged veto right was never a legal right but rather a political privilege that the government of Quebec has now lost by obstructing all attempts to reform the Canadian Constitution?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, as far as the legal aspect of the matter is concerned, obviously I can only express an opinion. The courts will have to decide on the legality aspect, if necessary, but my position has always been, that ever since I became leader of the Canadian government we have always looked for an amending formula based on the concept of regionalism, which recognized the existence of four regions in Canada and as a result acknowledged implicitly that the Province of Quebec had a veto right. That was our position at the constitutional conference in 1971, and has been our position up to the events of the past few weeks, when we had a resolution before the House in which we were proposing an amending formula based on the regional concept and therefore on a veto right for Quebec. So that when Premier Lévesque, in joining forces with the seven provinces, agreed with their concept that all provinces were equal and that there were no veto rights for anyone, and signed the accord on April 16 of this year, he relinquished the veto right we had been prepared to acknowledge in the amending formula. So that is what happened, Madam Speaker, and once more, I do not want to say what the law is on this question nor what the constitutional conventions should be. I merely wish to say that for ten years we have been proposing a constitutional amending formula that would have given the Province of Quebec veto rights, and it was Mr. Lévesque's government that since or sometime before the accord, in September 1980, joined forces with the seven provinces which denied veto rights to any of the provinces. Mr. Lévesque agreed to accept this view, thereby relinquishing the veto rights we were prepared to acknowledge, not in law but in the amending formula we were proposing.

Oral Questions

[*English*]

THE BUDGET

PROVISIONS AFFECTING INCOME-AVERAGING ANNUITIES

Mr. Bill McKnight (Kindersley-Lloydminster): Madam Speaker, my question is for the Minister of Finance. In his budget the minister said that the reason some of these provisions were placed in the budget was for fairness. He talked about the removal of income averaging annuities because high income earners in Canada were using them not to pay any tax.

For the reason of fairness, would the minister consider using the existing laws as they stood before November 12 so that people who had sold, in particular people who had sold property to which capital gains were attached, prior to November 12, would not be penalized because the existing law prior to November 12 gave them until March 2 to purchase an income averaging annuity?

Some hon. Members: Hear, hear!

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I think I should make the point that I have been talking about a fairer tax system which would more evenly distribute the burdens of taxation. When I make that comment, I am not casting aspersions on any individual taxpayer who may have used that tax system. It was fully legal. But the impact of the tax system, as is revealed in the analysis on tax expenditures, is such as to create considerable inequity. That is what I have attempted to remove.

The hon. member has spoken about one particular aspect of these tax changes, having to do with the possible transitional adjustment. I have indicated several times in the House that I am quite prepared to listen to the representations of groups and Members of Parliament to see whether transitional adjustments in certain circumstances might not be fully justified in the interest of equity.

I take the hon. member's question as a serious one in the interests of providing equity to a particular class of Canadians.

● (1140)

REQUEST FOR POSTPONEMENT OF PROVISIONS

Mr. Bill McKnight (Kindersley-Lloydminster): Madam Speaker, I appreciate very much the response of the Minister of Finance because, knowing his roots, I am sure he understands that people build for retirement in this country, and they do their best to provide for themselves. I hope the minister will listen a little more earnestly. One example is a widow who is forced to live below the poverty line. She sold a quarter section of farm land so that she could use the proceeds to live on in her retirement. This widow has to pay $30,000 in capital gains tax now.

I would like to inform the minister that another retiring farmer in my constituency consulted the tax department on how much time he had in which to purchase his income-averaging annuity. He was told March 2. He now does not have that opportunity, and I hope the minister, with all the fairness he can muster, will give people in this position the opportunity, until March 2, to provide for their retirement with their own funds.

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, as I mentioned earlier, it is difficult, if not quite impossible, to adjudicate on a particular case on the floor of the House during question period. I know that several days ago a member of the House said that as a result of the budget the tax on a particular farm would have increased by $72,000, after the budget. I had a chance to look at that case and found that of that tax $49,000 under the forward-averaging system would be a refundable tax, and would be of benefit to the farmer and provide him with additional flexibility. I believe the hon. member ought to examine very carefully the forward-averaging system to determine whether he may be advocating a rule for farmers that is more onerous, namely, the existing one.

* * *

SMALL BUSINESS

ROLE OF BANKS IN SMALL BUSINESS DEVELOPMENT BOND PROGRAM

Mr. F. Oberle (Prince George-Peace River): Madam Speaker, my question is also for the Minister of Finance. It has to do with the Small Business Development Bond. We all know that the minister was very confident when he brought in this singular measure to help small businesses and farmers. He was confident of the co-operation of the banks. It now being quite evident that the banks are not co-operating, for a variety of reasons, and that they are not offering to co-operate with their clients in issuing this bond, what is the minister's next step in solving the serious problems affecting small businesses and farmers?

[*Translation*]

Hon. Charles Lapointe (Minister of State (Small Businesses and Tourism)): Madam Speaker, I am really surprised that once again, for the third time, a Conservative member is trying to give the impression that banks are not implementing the Small Business Development Bond. Madam Speaker, I have checked with the Royal Bank, the Bank of Nova Scotia and the Bank of Montreal, following statements by one of the honourable member's colleagues at the beginning of this week to the effect that there was a moratorium on implementation of the Small Business Development Bond. The three financial institutions I consulted have told me that they were implementing the provision, that they supported the program and that they would be using all the means at their disposal to develop a new definition of the terms as quickly as possible and the provision is already being implemented.

[*English*]

Mr. Oberle: Madam Speaker, as the minister has done, I have undertaken the same kind of exercise. I have telephoned the head offices of some banks. They are very confused about the guidelines, and their instruction to their bank managers is not to issue the small business bond. We may have a conflict of understanding, but that is my conclusion.

REQUEST THAT PROGRAM BE BROADENED

Mr. F. Oberle (Prince George-Peace River): Madam Speaker, has the Minister of Finance himself asked or has he received some advice about the notion of broadening the scope of the Small Business Development Bond by offering the bond to private purchasers, in other words, allowing private investors to purchase these bonds with the same kinds of guarantees that are offered to the banks and the same kinds of tax advantages?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I do not see how the characteristics of the Small Business Development Bond could be applied to private investors. If the hon. member wishes to make a proposal, I would be glad to consider it, but there is an interface between the operation of the Small Business Development Bond and the taxing situation of the banks.

Mr. Clark: I guess they should talk to Ian Stewart, the real minister of finance.

QUERY RESPECTING CHANGE IN PROGRAM

Mr. Nelson A. Riis (Kamloops-Shuswap): Madam Speaker, I certainly concur with the hon. member for Prince George-Peace River. There is confusion out there as to whether the Small Business Development Bond is available now or not.

My question is directed to the Minister of State for Small Businesses and Tourism, and it too is with respect to the bond. I remember when the minister asked the House to extend the date of termination of the bond until the end of this present year, and I believe no one objected and that it went through very quickly because it was one of the few things the government had done to provide some limited assistance to small business. However, on November 12 that program was changed and, as a result, many small businessmen who were anticipating and planning to enter into the provisions of that bond were no longer able to do so. Consequently, their rates of borrowing money have gone up, in some cases many tens of thousands of dollars. Would the minister state to this House whether he does not consider that to be changing the rules of the game half way through the game?

[*Translation*]

Hon. Charles Lapointe (Minister of State (Small Businesses and Tourism)): Madam Speaker, we are more than halfway through implementing the program. The new provisions concerning the Small Business Development Bond were announced on November 12, while the previous program was to end on January 31 and I feel that the one-year extension is extremely important. I agree with the member that there is a certain amount of confusion within the financial institutions at the present time. Monday morning, there will be a meeting of representatives from all chartered banks belonging to the Canadian Bankers' Association, with officers of the Department of Finance, the Department of National Revenue and the Small Business Secretariat, and by the end of that day we hope that any questions that exist at the present time will have been answered.

[*English*]

Mr. Riis: We will certainly be looking forward to that clarification.

REQUEST FOR ADJUSTMENTS IN APPLICATION OF PROGRAM

Mr. Nelson A. Riis (Kamloops-Shuswap): Madam Speaker, my supplementary question is for the Minister of Finance. The Minister of State for Small Businesses and Tourism has agreed that indeed there was a change in the rules of the game, perhaps not at mid-point but toward the end, but it still left many small businesses caught unawares. The minister indicated earlier this morning that he is prepared to make adjustments where there is some injustice committed. Would the Minister of Finance look into making adjustments so that those small business men anticipating taking advantage of the Small Business Development Bond until the end of the year will have that opportunity?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I think there is some confusion with respect to the impact of the Small Business Development Bond. There has been the suggestion that the bond is no longer available for development purposes. It is available until the end of the year for development purposes. There is, of course, a threshold of 6 per cent in effect now. With that threshold there is still a very considerable interest advantage to small businesses taking out financing under the small business loan. If, for example, the market rate were 20 per cent, banks could offer about 13 per cent to 14 per cent to small businesses even with this threshold. We established this threshold because we wanted to create a greater availability for firms in financial difficulty.

* * *

EXTERNAL AFFAIRS

CANADA-UNITED STATES RECIPROCITY STATUS

Mr. Harvie Andre (Calgary Centre): Madam Speaker, my question is directed to the Secretary of State for External Affairs. Three weeks ago the Government of the United States issued a request for comments on the reciprocity status of Canada dealing with the Mineral Lands Leasing Act which calls for retaliation against "citizens of another country, the

laws, customs or regulations of which deny similar or like privileges to citizens or corporations of the United States".

Has the minister or somebody else in the government—perhaps the Minister of Energy, Mines and Resources whose national energy policy triggered this request—responded to the request which was made to Canadians as well as Americans? Is he planning to respond to the request and, if he has or is planning to do so, will he undertake to table in the House of Commons his response to this request?

● (1150)

Hon. Mark MacGuigan (Secretary of State for External Affairs): Madam Speaker, I am not sure I heard every word of the hon. member's question. I understood him to say that this was a request by members of a congressional committee. He can correct me if that is not the case. I am not aware of any specific request. We have certainly kept the United States informed of our views in this respect.

REQUEST MADE BY UNITED STATES OFFICIAL

Mr. Harvie Andre (Calgary Centre): The request was made by the administration from the assistant secretary of policy budget in the administration, Department of the Interior. It specifically invites Canadians, individual corporations, elected officials, as well as Americans, to respond to this request. I humbly suggest to the minister that failure to do so could result in the U.S. administration taking precipitous action which could be very damaging to Canada's interests.

Hon. Mark MacGuigan (Secretary of State for External Affairs): Madam Speaker, that type of request I think is not one which is addressed to the Government of Canada, and not one that we would be responding to directly. But we have certainly fully informed the U.S. government of our views on this and any other questions in dispute.

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SOCIAL SECURITY

GUARANTEED INCOME SUPPLEMENT—QUERY RESPECTING IMPACT OF INDIRECT TAXES

Mr. Jim Hawkes (Calgary West): Madam Speaker, my question is directed to the Minister of Finance. Will the minister tell the House about the specific impact of indirect taxes, the hidden taxes on recipients of the guaranteed income supplement. Specifically the $35 which this House voted a year ago—does it exceed the tax take which now averages better than a $100 a month increase under the two budgets?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): No, Madam Speaker. The $35 a month increase to the recipients of the supplement is fully indexed.

REQUEST FOR STUDY INFORMATION

Mr. Jim Hawkes (Calgary West): Madam Speaker, I understand the impact of full indexing. At 10 per cent per year that would be $3.50 a month. Indirect taxes, on average, per household, have increased over $100 a month under this Minister of Finance. He talks about equity. Could the minister table in this House a specific scientific study that would show the impact on senior citizens in this country, the impact of his indirect taxes on their capacity to buy food, to pay rent and to buy clothing?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I will be delighted to do that. I will be delighted to provide the hon. member with information that would remove from his mind the impression that we have increased indirect taxes.

* * *

[*Translation*]

THE CONSTITUTION

INQUIRY WHETHER MORE GENEROUS GUARANTEES COULD HAVE BEEN OBTAINED IF QUEBEC PROTECTED RIGHTS OF CANADIANS

Mr. Gilles Marceau (Jonquière): Madam Speaker, my question is directed to the Right Hon. Prime Minister.

Since yesterday, the government of Quebec has started to show an interest in the situation of francophones outside Quebec, after having ignored them for a year and a half during the negotiations on the Constitution. I may recall a statement by Claude Morin at the beginning of the last conference in which he said that applying Section 133 to Ontario was of no consequence whatsoever.

Does the Prime Minister agree that far more generous guarantees would have been obtained if Quebec had wanted to take to heart the interests of Canadians instead of withdrawing within its own separatist option?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, this question is similar to the issue of Quebec's veto which I discussed earlier in reply to another question. I can say that both items received our attention, since we were proposing a veto right for Quebec and improvements in the position of francophones in the rest of the country. In the course of the negotiations on the Constitution, we did not receive Quebec's support on either of these two items. In fact, it joined forces with the seven provinces that at the time did not want veto rights—they still do not—and which also did not want to guarantee educational rights. Madam Speaker, I believe we could go even further. Starting at the Victoria Conference in 1971, the Canadian government had received from seven provinces a constitutional guarantee for at least part of Section 133. These constitutional guarantees were entrenched in the

Victoria charter, which, as the record shows, was rejected by the province of Quebec.

The federal government, since I became Prime Minister and, of course, under Mr. Pearson, has been fighting for the entrenchment in the Constitution of minority rights for francophones outside Quebec. We have always done so without the help of the province of Quebec, and now, since Mr. Lévesque came to power, in spite of the opposition of the province of Quebec, and that is what the situation has been for ten years.

* * *

[*English*]

THE BUDGET

INCREASE IN EXCISE TAX ON BUILDING MATERIALS

Hon. Marcel Lambert (Edmonton West): Madam Speaker, I wonder if the Minister of Finance would explain to the House why in this budget he is increasing the excise tax on building materials, contrary to what has been said about the reduction of the rate of excise tax, yet with regard to building materials the rate remains at 5 per cent, notwithstanding that the basis for valuation for tax goes from the manufacturer to the wholesale level?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, in certain aspects of the budget I had to seek additional revenues in order to carry out the fiscal policy which I thought was necessary in the present circumstances.

IMPACT ON HOUSE BUILDING INDUSTRY

Hon. Marcel Lambert (Edmonton West): Madam Speaker, has the minister consulted with the minister responsible for housing? Has the minister seen the impact of that increase in tax on the cost of building houses in this country, an industry which at the moment is possibly at its lowest in a generation?

Some hon. Members: Hear, hear!

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Yes, Madam Speaker, I had the necessary consultations with my colleagues. As a result of consultations with the minister responsible for housing I was able to provide very substantial sums of money in the budget in order to support housing activity in Canada.

An hon. Member: That is why it dried up.

* * *

FISHERIES

PROPOSAL TO ALLOCATE QUOTA RIGHTS

Mr. Mel Gass (Malpeque): Madam Speaker, my question is directed to the Minister of Fisheries and Oceans. It concerns the proposal that he is considering of the transferable property rights. The policy proposal would allocate to individual fishing enterprises or companies assigned quotas over a year, as opposed to the current total allowable catch management system. This proposal also would allow these enterprises or companies to buy, sell, or trade those rights. Will the minister please inform the House if this proposal will become government policy, and when it will be implemented?

Hon. Roméo LeBlanc (Minister of Fisheries and Oceans): Madam Speaker, a couple of days ago I said that the meeting had taken place. The advice from all sectors is being pulled together. I should be having a meeting with my officials next week. I would like to repeat to the hon. member what I said before, that there is no question to allocate in perpetuity what belongs to the people of Canada.

EFFECT ON INSHORE FISHERMEN

Mr. Mel Gass (Malpeque): Madam Speaker, I read the proposal. The principle of the proposal is to allow orderly and uniform delivery of fish to the onshore processors, a policy with which I agree. Will the minister explain to me and to the inshore fishermen, the independent fishermen, how this policy will benefit them?

Hon. Roméo LeBlanc (Minister of Fisheries and Oceans): Madam Speaker, we are trying to deal with the problem of the offshore fleet which generally is in the hands of four major companies. If we can solve that problem, that is good. There are other problems of the inshore that are not related to this proposal.

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CANADIAN ARMED FORCES

FINANCIAL PLIGHT OF PERSONNEL IN CALGARY

Mr. Terry Sargeant (Selkirk-Interlake): Madam Speaker, my question is directed to the Minister of National Defence. It has now been two years since we learned of the financial plight of many of our armed forces personnel stationed at CFB Calgary. Since then, the situation has worsened, so that today some 400 families qualify for provincial welfare aid and some 30 to 40 families are actually collecting such aid. Will the minister please inform the House why he has not done anything during his year and a half in office to turn this situation around?

Some hon. Members: Hear, hear!

Hon. J. Gilles Lamontagne (Minister of National Defence): Madam Speaker, I am always glad when someone from the NDP seems to have some interest in defence.

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

Mr. Lamontagne: Madam Speaker, I always had a great concern for the welfare of our armed forces. I know that in some areas—

Mr. Sargeant: They do not want welfare.

Mr. Lamontagne: Do you want an answer?

Mr. Sargeant: Yes.

Mr. Lamontagne: In some areas we know that they have difficulty, like the hon. member just told me, for example, in Calgary. This is why I authorized yesterday that the armed forces will have in the future a special posting allowance for people when they are posted from a low cost to a high cost area. Also, with the approval of Treasury Board there will be a special accommodation assistance allowance effective November 1, 1981, for people moving from low-cost to high-cost areas. This is what we have done for the Canadian Armed Forces, and they deserve it.

Some hon. Members: Hear, hear!

● (1200)

REQUEST FOR MINISTERIAL GUARANTEE

Mr. Terry Sargeant (Selkirk-Interlake): Madam Speaker, I should like to point out to the minister that hon. members in this corner of the House are interested in the defence of people.

We have heard many platitudes over the last couple of years from the minister about how proud he is of service personnel. I think it is a shame that service personnel have had to go on welfare before the government was forced into doing something for them.

Would the minister guarantee that the program, which he finally brought in or is promising to bring in, will guarantee all armed forces personnel, whether stationed in Canada or in Europe, an adequate quality of life?

Hon. J. Gilles Lamontagne (Minister of National Defence): Madam Speaker, the hon. member referred to an article in *The Globe and Mail*. The woman who told the reporter the story seems to be more reasonable than the hon. member on the other side. She said "that she went into this with her eyes open, so she cannot really be bitter". Armed forces personnel know very well what kinds of salaries and conditions they will have when they join the armed forces. We are doing everything to try to help them. I just mentioned to the hon. member these two new policies to help these people. We have corrected a lot of what the hon. member mentioned. As far as forces personnel being on welfare is concerned it is a very small minority. It is a question of trying to help them when we can.

PETITIONS

TABLING OF REPORTS OF CLERK OF PETITIONS

Madam Speaker: I have the honour to inform the House that the Clerk of the House has laid upon the Table reports of the Clerk of Petitions stating that he has examined the petitions presented by hon. members on Thursday, November 26, 1981, and finds that they meet the requirements of the Standing Orders as to form.

* * *

BUSINESS OF THE HOUSE

Mr. Nielsen: Madam Speaker, I rise on a point of order. If I could have the attention of the government House leader, I wonder whether it would suit his convenience and his schedule if he would call a House leaders' meeting immediately upon resuming orders of the day so that we might discuss the timing of the conclusion of the Constitution debate and dealing with any intervening amendments. Because I have some positive proposals to put to him.

Mr. Pinard: Madam Speaker, I welcome this offer, provided that the NDP House leader attends the meeting as well.

Mr. Deans: Madam Speaker, as I said yesterday, I am willing to meet at any time. I can hardly wait to see these positive proposals.

* * *

PRIVILEGE

MR. McCAIN—NOTICE OF QUESTION TO BE RAISED

Mr. Fred McCain (Carleton-Charlotte): Madam Speaker, I rise on a question of privilege. I believe the privilege of hon. members of the House in committee, as well as those who appear to present points of view, is being somewhat detracted from, if not absolutely breached, by virtue of the fact that we find ourselves in a blocked system. I am speaking in general. I am not speaking about a specific instance or making a criticism against a specific chairman. I ask Madam Speaker to be patient with me for just a moment; I will not take much of the time of the House.

For example, the Standing Committee on Fisheries and Forestry met yesterday to hear the evidence of the United Fishermen and Allied Workers Union of the province of British Columbia on the Pearse Commission report, with which most of us are familiar. That committee, by virtue of its organization—

Madam Speaker: Order, please. It seems to me that the question which the hon. member wants to raise at this particular time does not flow from the deliberations of today's sitting. A question of privilege may be brought forward without notice only if it flows from the deliberations of today. I am afraid what the hon. member is talking about does not flow from the

deliberations of today. If he has a question of privilege, he can give me notice of it and I can hear him on it on another day.

Mr. McCain: It was my understanding, Madam Speaker, that a question of privilege could be presented at the first opportunity which presented itself to an hon. member after the incident occurred. Under the circumstances, it was impossible to obtain the necessary information to present the question of privilege yesterday. Perhaps I should have given Your Honour notice of it yesterday, but it was impossible to pursue the item until today. I would ask you to just bear with me; I will be very brief.

Madam Speaker: I cannot; I must follow the Standing Orders. A matter of this nature could possibly be brought forward under privilege. I cannot judge the substance of the matter which will be brought forward, but I remind the hon. member of Standing Order 17(2) which clearly indicates:

—any member proposing to raise a question of privilege other than one arising out of proceedings in the Chamber during the course of a sitting shall give to the Speaker a written statement of the question at least one hour prior to raising the question in the House.

If the hon. member wants to give that statement and that notice, I can hear him on another day.

ROUTINE PROCEEDINGS

[*Translation*]

EXTERNAL AFFAIRS AND NATIONAL DEFENCE

PRESENTATION OF FOURTH REPORT OF STANDING COMMITTEE

Mr. Marcel Prud'homme (Saint-Denis): Madam Speaker, I have the honour to table the fourth report of the Standing Committee on External Affairs and National Defence, and the House has agreed through spokesmen for both opposition parties—

[*English*]

Her Majesty's Loyal Opposition and the New Democratic Party have agreed that I move concurrence of this report later this day.

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WAYS AND MEANS

TABLING OF NOTICE

Hon. Judy Erola (Minister of State (Mines)): Madam Speaker, pursuant to Standing Order 60, I wish to table a notice of ways and means in English and in French. The notice of ways and means, in accordance with earlier notices, provides for the dropping of the petroleum compensation charge from $51.28 per cubic metre to $39.64 per cubic metre. The decrease in the charge is, as was announced by the Minister of Energy, Mines and Resources (Mr. Lalonde) in September, consequent on the wellhead price increase which, while imposed by regulations made on October 1, 1981, does not flow through to the consumer until November 30, 1981. It means that Canadians will face a price increase of .5 cents per litre rather than 1.6 cents.

* * *

PETITIONS

MR. BAKER (NEPEAN-CARLETON)—THE CONSTITUTION—SECTION 33 OF CHARTER

Hon. Walter Baker (Nepean-Carleton): Madam Speaker, I have a petition signed by Canadians which deals with Section 33(1)-Section 33(5) of the resolution presently before the House. It expresses a concern with respect to the override clause as it applies to the Charter of Rights and Freedoms and the Constitution. It is extremely long in its preamble. I think I would be presuming upon the House to read it all, although I should like to do so to make it clear. But Madam Speaker will be in a position to see it.

I believe that petitions are the one way in which people can contribute directly to debate and impress on members of Parliament the depth of feeling. It is on that basis that I beg leave to table this petition in the House.

MR. FULTON—THE CONSTITUTION—CONCERNS OF NATIVE PEOPLE

Mr. Jim Fulton (Skeena): Madam Speaker, I also have a petition to table on behalf of the Native Council of Canada, the Inuit Committee on National Issues and the Native Women's Association of Canada. It has a long preamble as well. I will not impose upon the time of the House by reading all of it, but I should like to point out that the prime concern is that the native people of Canada have been unable to meet with any government ministers; in fact, they have refused to consult with native people during this past week about some of the very important provisions they request to have within the Constitution. I table it on their behalf.

* * *

● (1210)

[*Translation*]

EXTERNAL AFFAIRS AND NATIONAL DEFENCE

CONCURRENCE IN FOURTH REPORT OF STANDING COMMITTEE

Mr. Marcel Prud'homme (Saint-Denis): Madam Speaker, I move, seconded by the hon. member for Labelle (Mr. Dupras), chairman of the subcommittee on Canada's Relations with Latin America and the Caribbean, that the fourth report of the Standing Committee on External Affairs and National Defence, tabled earlier today in the House, be concurred in.

Madam Speaker: Is there unanimous consent for this motion?

Mr. Nielsen: Agreed, Madam Speaker.

Motion agreed to.

* * *

[*English*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, the following questions will be answered today: Nos. 2,683, 3,136, 3,264 and 3,328.

[*Text*]

MIRABEL AIRPORT DEFICIT

Question No. 2,683—**Mr. Beatty:**

1. Will Mirabel Airport have a deficit by the end of this fiscal year and, if so, what will it be and for what reason will there be a revenue shortfall?

2. What is the projected deficit for the airport for the fiscal year 1981-82, if present conditions remain the same?

3. Is the government presently exploring avenues to lower the deficit and, if so, which avenues?

4. Will an announcement be made on an airport policy change and, if so, on what date?

Mr. Robert Bockstael (Parliamentary Secretary to Minister of Transport): 1. The deficit for Mirabel is $20.1 million for fiscal year 1980-81, including depreciation of $17,675,000. The deficit is attributable to decreased revenues because some carriers have cancelled their service to Mirabel.

2. Projected deficit for 1981-82 is $28.5 million, including depreciation of $18,355,000.

3. Senior officials of the Action Mirabel group undertook a marketing mission to Europe in November, 1980, in order to promote the use of Mirabel as a gateway to North America. In addition, continuous efforts are made to control and reduce operating and maintenance costs at the airport.

4. The first stage of the study on the Montreal airports system was completed some months ago and the findings were summarized in a report entitled "An interim report on airport role options", which was made public in February 1981. The second stage of this study, a more detailed cost-benefit appreciation, is well advanced and is scheduled for completion soon.

FUEL PURCHASE DIARY

Question No. 3,136—**Mr. Munro (Esquimalt-Saanich):**

1. Was the "Fuel Purchase Diary" issued by Statistics Canada and, if so, what was the total cost for (a) its preparation (b) its distribution (c) compilation of the data?

2. What was the purpose of the diary and did it achieve its purpose?

Hon. J.-J. Blais (Minister of Supply and Services): 1. Statistics Canada reports that the "Fuel Purchase Diary" is a data collection instrument issued by Statistics Canada as part of the national Fuel Consumption Survey. The survey itself is conducted by Statistics Canada under the sponsorship of Transport Canada as part of the federal government energy research and development program (an inter-departmental program under the leadership of the Department of Energy, Mines and Resources). Each month samples of vehicles are drawn from provincial motor vehicle registration files provided to Statistics Canada by each of the ten provinces. Owners of the selected vehicles are asked a series of screening questions on the telephone and fuel purchase diaries are then mailed to the principal drivers of privately-owned vehicles. For a one-month period, the principal drivers use the Fuel Purchase Diary to keep a record of fuel purchases. At the end of the month, the completed diaries are returned by mail to Statistics Canada where the data are processed and tabulated for release on a quarterly basis. The total cost for the survey for a fiscal year is approximately $675,000 which can be subdivided as follows:

(a) Sample selection and preparation for data collection—$200,000.

(b) Screening and data collection—$300,000.

(c) Processing, compilation and publication—$175,000.

2. The primary purpose of the Fuel Consumption Survey is the establishment of a national data base concerning the personal use of passenger cars and light trucks and vans in Canada which would contain the following information: total distance travelled, total amount of fuel consumed, average distance obtained per unit of fuel, total expenditures on fuel and seasonal fluctuations in fuel consumption and in distance travelled. To date the survey methodology, as described in the answer to question one, has proven successful in meeting the primary objective. Four quarters of data have been published on the fuel consumption patterns of personal use passenger cars, and data on the fuel consumption patterns of light trucks and vans are currently being evaluated. Future quarters will be published as data become available.

PURCHASE OF MOTOR VEHICLES

Question No. 3,264—**Mr. Howie:**

In the fiscal year 1980-81, how many motor vehicles were purchased for staff members of the Department of Indian Affairs and Northern Development in (a) New Brunswick (b) Nova Scotia (c) Prince Edward Island and what amount was paid for the vehicles?

Hon. John C. Munro (Minister of Indian Affairs and Northern Development): As far as the Department of Indian Affairs and Northern Development is concerned, it has not purchased motor vehicles for staff members in the fiscal year 1980-81. We have, during this period, purchased the following motor vehicles for use by staff members in the performance of their duties and functions in two of the three maritime provinces in question:

Province	Vehicles	Total cost
New Brunswick	10	$68,499.80
Nova Scotia	12	$83,347.80
P.E.I.	None	

TOURISTS VISITING QUEBEC AND ONTARIO

Question No. 3,328—**Mr. Herbert:**

How many tourists entered (a) Quebec (b) Ontario from (i) the United States (ii) other countries in 1980 and in 1981 and what percentage of the tourists are believed to have spent most of their stay in the two provinces?

Mr. Ralph Ferguson (Parliamentary Secretary to Minister of State (Small Businesses and Tourism)): In so far as the Department of Industry, Trade and Commerce is concerned, it should be noted that Statistics Canada in its monthly tabulation of International Travellers Entering or Returning to Canada differentiates between total travellers (visitors) and long-term travellers (tourists). The distinction between these terms is important as the following numbers reveal. The total number of travellers (excursionists with less than 24-hour visit and visitors of more than 24-hour visit) coming into Canada for the period January through September, 1981 amounted to 35,197,473; the number of long-term visitors (plus 24 hours) comprised only about one third of the foregoing total, namely 11,430,720 in the same period. In responding to the inquiry made, use has been made of Statistics Canada's Long-Term Traveller which most closely relates to the term tourist.

Having stated the above, some arbitrary decisions are made by Statistics Canada in determining who might be plus/minus 24-hour visitors on a monthly basis.

Long-term travellers (tourists) from U.S. are classified as total plane, auto and bus, one or more nights; and total train and boat flows. The foregoing method is accurate for auto and bus, and quite accurate for plane and train, in that most plane and train arrivals have a stop overnight; however, it possibly tends to inflate boat entries as it indicates those persons who take ferry excursions between the U.S. and Canada but may not stay overnight. Given the foregoing caution, the attached statistics are relevant.

A. From U.S. to Quebec and Ontario

Long-term travellers, residents of the U.S. entering into Canada through Quebec;

(a) First eight months of 1980:	1,067,263
(b) First eight months of 1981:	1,023,674
Percentage:	−4.1 per cent.

Long-term travellers, residents of the U.S. entering into Canada through Ontario;

(a) First eight months of 1980:	5,158,450
(b) First eight months of 1981:	5,317,651
Percentage:	3.1 per cent

B. From Overseas to Quebec and Ontario

Defining long-term travel from countries other than the U.S. as overnight or longer land entries via the U.S., total air entries, total boat entries (includes same day travel by plane and boat), the undernoted figures are provided;

Long-term travellers, residents of countries other than the U.S. entering into Canada through Quebec;

(a) First eight months of 1980:	269,881
(b) First eight months of 1981:	263,906
Percentage:	−2.2 per cent

Long-term travellers, residents of countries other than the U.S. entering into Canada through Ontario;

(a) First eight months of 1980:	729,574
(b) First eight months of 1981:	729,993
Percentage:	0.1 per cent

C. Tourists spending most of their stay in Quebec and Ontario

The international travel survey measures, on an annual basis, provinces visited and each person is credited for each province visited. The data, however, cannot be desegregated to answer the question on the percentage of tourists spending most of their stay in the two provinces.

Defining tourists as those travellers staying one or more night only in Canada, the following statistics may be of use:

2.6 million U.S. tourists visited Quebec in 1980; 6.4 million U.S. tourists visited Ontario in 1980; 0.5 million tourists from countries other than the U.S. visited Quebec in 1980; 1.1 million tourists from countries other than the U.S. visited Ontario in 1980.

[*English*]

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

[*Translation*]

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

Some hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

THE CONSTITUTION

RESOLUTION RESPECTING CONSTITUTION ACT, 1981

The House resumed, from Thursday, November 26, consideration of the motion of Mr. Chrétien:

THAT, WHEREAS in the past certain amendments to the Constitution of Canada have been made by the Parliament of the United Kingdom at the request and with the consent of Canada;

AND WHEREAS it is in accord with the status of Canada as an independent state that Canadians be able to amend their Constitution in Canada in all respects;

AND WHEREAS it is also desirable to provide in the Constitution of Canada for the recognition of certain fundamental rights and freedoms and to make other amendments to that Constitution;

A respectful address be presented to Her Majesty the Queen in the following words:

CONSIDÉRANT :
que le Parlement du Royaume-Uni a modifié à plusieurs reprises la Constitution du Canada à la demande et avec le consentement de celui-ci;

que, de par le statut d'État indépendant du Canada, il est légitime que les Canadiens aient tout pouvoir pour modifier leur Constitution au Canada;

qu'il est souhaitable d'inscrire dans la Constitution du Canada la reconnaissance de certains droits et libertés fondamentaux et d'y apporter d'autres modifications,

il est proposé que soit présentée respectueusement à Sa Majesté la Reine l'adresse dont la teneur suit :

To the Queen's Most Excellent Majesty:
Most Gracious Sovereign:

We, Your Majesty's loyal subjects, the House of Commons of Canada in Parliament assembled, respectfully approach Your Majesty, requesting that you may graciously be pleased to cause to be laid before the Parliament of the United Kingdom a measure containing the recitals and clauses hereinafter set forth:

A Sa Très Excellente Majesté la Reine,
Très Gracieuse Souveraine :

Nous, membres de la Chambre des communes du Canada réunis en Parlement, fidèles sujets de Votre Majesté, demandons respectueusement à Votre Très Gracieuse Majesté de bien vouloir faire déposer devant le Parlement du Royaume-Uni un projet de loi ainsi conçu :

ANNEXE A—SCHEDULE A

An Act to give effect to a request by the Senate and House of Commons of Canada

Loi donnant suite à une demande du Sénat et de la Chambre des communes du Canada

Whereas Canada has requested and consented to the enactment of an Act of the Parliament of the United Kingdom to give effect to the provisions hereinafter set forth and the Senate and the House of Commons of Canada in Parliament assembled have submitted an address to Her Majesty requesting that Her Majesty may graciously be pleased to cause a Bill to be laid before the Parliament of the United Kingdom for that purpose.

Sa Très Excellente Majesté la Reine, considérant :

qu'à la demande et avec le consentement du Canada, le Parlement du Royaume-Uni est invité à adopter une loi visant à donner effet aux dispositions énoncées ci-après et que le Sénat et la Chambre des communes du Canada réunis en Parlement ont présenté une adresse demandant à Sa Très Gracieuse Majesté de bien vouloir faire déposer devant le Parlement du Royaume-Uni un projet de loi à cette fin,

Be it therefore enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:

sur l'avis et du consentement des Lords spirituels et temporels et des Communes réunis en Parlement, et par l'autorité de celui-ci, édicte :

Constitution Act, 1981 enacted

1. The *Constitution Act, 1981* set out in Schedule B to this Act is hereby enacted for and shall have the force of law in Canada and shall come into force as provided in that Act.

Adoption de la *Loi constitutionnelle de 1981*

1. La *Loi constitutionnelle de 1981*, énoncée à l'annexe B, est édictée pour le Canada et y a force de loi. Elle entre en vigueur conformément à ses dispositions.

Termination of power to legislate for Canada

2. No Act of the Parliament of the United Kingdom passed after the *Constitution Act, 1981* comes into force shall extend to Canada as part of its law.

Cessation du pouvoir de légiférer pour le Canada

2. Les lois adoptées par le Parlement du Royaume-Uni après l'entrée en vigueur de la *Loi constitutionnelle de 1981* ne font pas partie du droit du Canada.

French version

3. So far as it is not contained in Schedule B, the French version of this Act is set out in Schedule A to this Act and has the same authority in Canada as the English version thereof.

Version française

3. La partie de la version française de la présente loi qui figure à l'annexe A a force de loi au Canada au même titre que la version anglaise correspondante.

Short title

4. This Act may be cited as the *Canada Act*.

Titre abrégé

4. Titre abrégé de la présente loi : *Loi sur le Canada*.

SCHEDULE B

CONSTITUTION ACT, 1981

PART I

CANADIAN CHARTER OF RIGHTS AND FREEDOMS

Whereas Canada is founded upon principles that recognize the supremacy of God and the rule of law:

Guarantee of Rights and Freedoms

Rights and freedoms in Canada

1. The *Canadian Charter of Rights and Freedoms* guarantees the rights and freedoms set out in it subject only to such reasonable limits prescribed by law as can be demonstrably justified in a free and democratic society.

Fundamental Freedoms

Fundamental freedoms

2. Everyone has the following fundamental freedoms:

(*a*) freedom of conscience and religion;

(*b*) freedom of thought, belief, opinion and expression, including freedom of the press and other media of communication;

(*c*) freedom of peaceful assembly; and

(*d*) freedom of association.

Democratic Rights

Democratic rights of citizens

3. Every citizen of Canada has the right to vote in an election of members of the House of Commons or of a legislative assembly and to be qualified for membership therein.

Maximum duration of legislative bodies

4. (1) No House of Commons and no legislative assembly shall continue for longer than five years from the date fixed for the return of the writs at a general election of its members.

Continuation in special circumstances

(2) In time of real or apprehended war, invasion or insurrection, a House of Commons may be continued by Parliament and a legislative assembly may be continued by the legislature beyond five years if such continuation is not opposed by the votes of more than one-third of the members of the House

ANNEXE B

LOI CONSTITUTIONNELLE DE 1981

PARTIE I

CHARTE CANADIENNE DES DROITS ET LIBERTÉS

Attendu que le Canada est fondé sur des principes qui reconnaissent la suprématie de Dieu et la primauté du droit :

Garantie des droits et libertés

Droits et libertés au Canada

1. La *Charte canadienne des droits et libertés* garantit les droits et libertés qui y sont énoncés. Ils ne peuvent être restreints que par une règle de droit, dans des limites qui soient raisonnables et dont la justification puisse se démontrer dans le cadre d'une société libre et démocratique.

Libertés fondamentales

Libertés fondamentales

2. Chacun a les libertés fondamentales suivantes :

a) liberté de conscience et de religion;

b) liberté de pensée, de croyance, d'opinion et d'expression, y compris la liberté de la presse et des autres moyens de communication;

c) liberté de réunion pacifique;

d) liberté d'association.

Droits démocratiques

Droits démocratiques des citoyens

3. Tout citoyen canadien a le droit de vote et est éligible aux élections législatives fédérales ou provinciales.

Mandat maximal des assemblées

4. (1) Le mandat maximal de la Chambre des communes et des assemblées législatives est de cinq ans à compter de la date fixée pour le retour des brefs relatifs aux élections générales correspondantes.

Prolongations spéciales

(2) Le mandat de la Chambre des communes ou celui d'une assemblée législative peut être prolongé respectivement par le Parlement ou par la législature en question au-delà de cinq ans en cas de guerre, d'invasion ou d'insurrection, réelles ou appréhendées, pourvu que cette prolongation ne fasse pas

of Commons or the legislative assembly, as the case may be.

l'objet d'une opposition exprimée par les voix de plus du tiers des députés de la Chambre des communes ou de l'assemblée législative.

Annual sitting of legislative bodies

5. There shall be a sitting of Parliament and of each legislature at least once every twelve months.

Séance annuelle

5. Le Parlement et les législatures tiennent une séance au moins une fois tous les douze mois.

Mobility Rights

Liberté de circulation et d'établissement

Mobility of citizens

6. (1) Every citizen of Canada has the right to enter, remain in and leave Canada.

Liberté de circulation

6. (1) Tout citoyen canadien a le droit de demeurer au Canada, d'y entrer ou d'en sortir.

Rights to move and gain livelihood

(2) Every citizen of Canada and every person who has the status of a permanent resident of Canada has the right

(*a*) to move to and take up residence in any province; and

(*b*) to pursue the gaining of a livelihood in any province.

Liberté d'établissement

(2) Tout citoyen canadien et toute personne ayant le statut de résident permanent au Canada ont le droit :

a) de se déplacer dans tout le pays et d'établir leur résidence dans toute province;

b) de gagner leur vie dans toute province.

Limitation

(3) The rights specified in subsection (2) are subject to

(*a*) any laws or practices of general application in force in a province other than those that discriminate among persons primarily on the basis of province of present or previous residence; and

(*b*) any laws providing for reasonable residency requirements as a qualification for the receipt of publicly provided social services.

Restriction

(3) Les droits mentionnés au paragraphe (2) sont subordonnés :

a) aux lois et usages d'application générale en vigueur dans une province donnée, s'ils n'établissent entre les personnes aucune distinction fondée principalement sur la province de résidence antérieure ou actuelle;

b) aux lois prévoyant de justes conditions de résidence en vue de l'obtention des services sociaux publics.

Affirmative action programs

(4) Subsections (2) and (3) do not preclude any law, program or activity that has as its object the amelioration in a province of conditions of individuals in that province who are socially or economically disadvantaged if the rate of employment in that province is below the rate of employment in Canada.

Programmes de promotion sociale

(4) Les paragraphes (2) et (3) n'ont pas pour objet d'interdire les lois, programmes ou activités destinés à améliorer, dans une province, la situation d'individus défavorisés socialement ou économiquement, si le taux d'emploi dans la province est inférieur à la moyenne nationale.

Legal Rights

Garanties juridiques

Life, liberty and security of person

7. Everyone has the right to life, liberty and security of the person and the right not to be deprived thereof except in accordance with the principles of fundamental justice.

Vie, liberté et sécurité

7. Chacun a droit à la vie, à la liberté et à la sécurité de sa personne; il ne peut être porté atteinte à ce droit qu'en conformité avec les principes de justice fondamentale.

Search or seizure

8. Everyone has the right to be secure against unreasonable search or seizure.

Fouilles, perquisitions ou saisies

8. Chacun a droit à la protection contre les fouilles, les perquisitions ou les saisies abusives.

Detention or imprisonment

9. Everyone has the right not to be arbitrarily detained or imprisoned.

Détention ou emprisonnement

9. Chacun a droit à la protection contre la détention ou l'emprisonnement arbitraires.

The Constitution

Arrest or detention

10. Everyone has the right on arrest or detention

(*a*) to be informed promptly of the reasons therefor;

(*b*) to retain and instruct counsel without delay and to be informed of that right; and

(*c*) to have the validity of the detention determined by way of *habeas corpus* and to be released if the detention is not lawful.

Proceedings in criminal and penal matters

11. Any person charged with an offence has the right

(*a*) to be informed without unreasonable delay of the specific offence;

(*b*) to be tried within a reasonable time;

(*c*) not to be compelled to be a witness in proceedings against that person in respect of the offence;

(*d*) to be presumed innocent until proven guilty according to law in a fair and public hearing by an independent and impartial tribunal;

(*e*) not to be denied reasonable bail without just cause;

(*f*) except in the case of an offence under military law tried before a military tribunal, to the benefit of trial by jury where the maximum punishment for the offence is imprisonment for five years or a more severe punishment;

(*g*) not to be found guilty on account of any act or omission unless, at the time of the act or omission, it constituted an offence under Canadian or international law or was criminal according to the general principles of law recognized by the community of nations;

(*h*) if finally acquitted of the offence, not to be tried for it again and, if finally found guilty and punished for the offence, not to be tried or punished for it again; and

(*i*) if found guilty of the offence and if the punishment for the offence has been varied between the time of commission and the time of sentencing, to the benefit of the lesser punishment.

Arrestation ou détention

10. Chacun a le droit, en cas d'arrestation ou de détention :

a) d'être informé dans les plus brefs délais des motifs de son arrestation ou de sa détention;

b) d'avoir recours sans délai à l'assistance d'un avocat et d'être informé de ce droit;

c) de faire contrôler, par *habeas corpus*, la légalité de sa détention et d'obtenir, le cas échéant, sa libération.

Affaires criminelles et pénales

11. Tout inculpé a le droit :

a) d'être informé sans délai anormal de l'infraction précise qu'on lui reproche;

b) d'être jugé dans un délai raisonnable;

c) de ne pas être contraint de témoigner contre lui-même dans toute poursuite intentée contre lui pour l'infraction qu'on lui reproche;

d) d'être présumé innocent tant qu'il n'est pas déclaré coupable, conformément à la loi, par un tribunal indépendant et impartial à l'issue d'un procès public et équitable;

e) de ne pas être privé sans juste cause d'une mise en liberté assortie d'un cautionnement raisonnable;

f) sauf s'il s'agit d'une infraction relevant de la justice militaire, de bénéficier d'un procès avec jury lorsque la peine maximale prévue pour l'infraction dont il est accusé est un emprisonnement de cinq ans ou une peine plus grave;

g) de ne pas être déclaré coupable en raison d'une action ou d'une omission qui, au moment où elle est survenue, ne constituait pas une infraction d'après le droit interne du Canada ou le droit international et n'avait pas de caractère criminel d'après les principes généraux de droit reconnus par l'ensemble des nations;

h) d'une part de ne pas être jugé de nouveau pour une infraction dont il a été définitivement acquitté, d'autre part de ne pas être jugé ni puni de nouveau pour une infraction dont il a été définitivement déclaré coupable et puni;

i) de bénéficier de la peine la moins sévère, lorsque la peine qui sanctionne l'infraction dont il est déclaré coupable est

modifiée entre le moment de la perpétration de l'infraction et celui de la sentence.

Treatment or punishment

12. Everyone has the right not to be subjected to any cruel and unusual treatment or punishment.

12. Chacun a droit à la protection contre tous traitements ou peines cruels et inusités.

Cruauté

Self-crimination

13. A witness who testifies in any proceedings has the right not to have any incriminating evidence so given used to incriminate that witness in any other proceedings, except in a prosecution for perjury or for the giving of contradictory evidence.

13. Chacun a droit à ce qu'aucun témoignage incriminant qu'il donne ne soit utilisé pour l'incriminer dans d'autres procédures, sauf lors de poursuites pour parjure ou pour témoignages contradictoires.

Témoignage incriminant

Interpreter

14. A party or witness in any proceedings who does not understand or speak the language in which the proceedings are conducted or who is deaf has the right to the assistance of an interpreter.

14. La partie ou le témoin qui ne peuvent suivre les procédures, soit parce qu'ils ne comprennent pas ou ne parlent pas la langue employée, soit parce qu'ils sont atteints de surdité, ont droit à l'assistance d'un interprète.

Interprète

Equality Rights

Droits à l'égalité

Equality before and under law and equal protection and benefit of law

15. (1) Every individual is equal before and under the law and has the right to the equal protection and equal benefit of the law without discrimination and, in particular, without discrimination based on race, national or ethnic origin, colour, religion, sex, age or mental or physical disability.

15. (1) La loi ne fait acception de personne et s'applique également à tous, et tous ont droit à la même protection et au même bénéfice de la loi, indépendamment de toute discrimination, notamment des discriminations fondées sur la race, l'origine nationale ou ethnique, la couleur, la religion, le sexe, l'âge ou les déficiences mentales ou physiques.

Égalité devant la loi, égalité de bénéfice et protection égale de la loi

Affirmative action programs

(2) Subsection (1) does not preclude any law, program or activity that has as its object the amelioration of conditions of disadvantaged individuals or groups including those that are disadvantaged because of race, national or ethnic origin, colour, religion, sex, age or mental or physical disability.

(2) Le paragraphe (1) n'a pas pour effet d'interdire les lois, programmes ou activités destinés à améliorer la situation d'individus ou de groupes défavorisés, notamment du fait de leur race, de leur origine nationale ou ethnique, de leur couleur, de leur religion, de leur sexe, de leur âge ou de leurs déficiences mentales ou physiques.

Programmes de promotion sociale

Official Languages of Canada

Langues officielles du Canada

Official languages of Canada

16. (1) English and French are the official languages of Canada and have equality of status and equal rights and privileges as to their use in all institutions of the Parliament and government of Canada.

16. (1) Le français et l'anglais sont les langues officielles du Canada; ils ont un statut et des droits et privilèges égaux quant à leur usage dans les institutions du Parlement et du gouvernement du Canada.

Langues officielles du Canada

Official languages of New Brunswick

(2) English and French are the official languages of New Brunswick and have equality of status and equal rights and privileges as to their use in all institutions of the

(2) Le français et l'anglais sont les langues officielles du Nouveau-Brunswick; ils ont un statut et des droits et privilèges égaux quant à leur usage dans les institutions de la Légis-

Langues officielles du Nouveau-Brunswick

legislature and government of New Brunswick.

lature et du gouvernement du Nouveau-Brunswick.

Advancement of status and use

(3) Nothing in this Charter limits the authority of Parliament or a legislature to advance the equality of status or use of English and French.

(3) La présente charte ne limite pas le pouvoir du Parlement et des législatures de favoriser la progression vers l'égalité de statut ou d'usage du français et de l'anglais.

Progression vers l'égalité

Proceedings of Parliament

17. (1) Everyone has the right to use English or French in any debates and other proceedings of Parliament.

17. (1) Chacun a le droit d'employer le français ou l'anglais dans les débats et travaux du Parlement.

Travaux du Parlement

Proceedings of New Brunswick legislature

(2) Everyone has the right to use English or French in any debates and other proceedings of the legislature of New Brunswick.

(2) Chacun a le droit d'employer le français ou l'anglais dans les débats et travaux de la Législature du Nouveau-Brunswick.

Travaux de la Législature du Nouveau-Brunswick

Parliamentary statutes and records

18. (1) The statutes, records and journals of Parliament shall be printed and published in English and French and both language versions are equally authoritative.

18. (1) Les lois, les archives, les comptes rendus et les procès-verbaux du Parlement sont imprimés et publiés en français et en anglais, les deux versions des lois ayant également force de loi et celles des autres documents ayant même valeur.

Documents parlementaires

New Brunswick statutes and records

(2) The statutes, records and journals of the legislature of New Brunswick shall be printed and published in English and French and both language versions are equally authoritative.

(2) Les lois, les archives, les comptes rendus et les procès-verbaux de la Législature du Nouveau-Brunswick sont imprimés et publiés en français et en anglais, les deux versions des lois ayant également force de loi et celles des autres documents ayant même valeur.

Documents de la Législature du Nouveau-Brunswick

Proceedings in courts established by Parliament

19. (1) Either English or French may be used by any person in, or in any pleading in or process issuing from, any court established by Parliament.

19. (1) Chacun a le droit d'employer le français ou l'anglais dans toutes les affaires dont sont saisis les tribunaux établis par le Parlement et dans tous les actes de procédure qui en découlent.

Procédures devant les tribunaux établis par le Parlement

Proceedings in New Brunswick courts

(2) Either English or French may be used by any person in, or in any pleading in or process issuing from, any court of New Brunswick.

(2) Chacun a le droit d'employer le français ou l'anglais dans toutes les affaires dont sont saisis les tribunaux du Nouveau-Brunswick et dans tous les actes de procédure qui en découlent.

Procédures devant les tribunaux du Nouveau-Brunswick

Communications by public with federal institutions

20. (1) Any member of the public in Canada has the right to communicate with, and to receive available services from, any head or central office of an institution of the Parliament or government of Canada in English or French, and has the same right with respect to any other office of any such institution where

(*a*) there is a significant demand for communications with and services from that office in such language; or

20. (1) Le public a, au Canada, droit à l'emploi du français ou de l'anglais pour communiquer avec le siège ou l'administration centrale des institutions du Parlement ou du gouvernement du Canada ou pour en recevoir les services; il a le même droit à l'égard de tout autre bureau de ces institutions là où, selon le cas :

a) l'emploi du français ou de l'anglais fait l'objet d'une demande importante;

b) l'emploi du français et de l'anglais se justifie par la vocation du bureau.

Communications entre les administrés et les institutions fédérales

(*b*) due to the nature of the office, it is reasonable that communications with and services from that office be available in both English and French.

Communications by public with New Brunswick institutions

(2) Any member of the public in New Brunswick has the right to communicate with, and to receive available services from, any office of an institution of the legislature or government of New Brunswick in English or French.

(2) Le public a, au Nouveau-Brunswick, droit à l'emploi du français ou de l'anglais pour communiquer avec tout bureau des institutions de la législature ou du gouvernement ou pour en recevoir les services.

Communications entre les administrés et les institutions du Nouveau-Brunswick

Continuation of existing constitutional provisions

21. Nothing in sections 16 to 20 abrogates or derogates from any right, privilege or obligation with respect to the English and French languages, or either of them, that exists or is continued by virtue of any other provision of the Constitution of Canada.

21. Les articles 16 à 20 n'ont pas pour effet, en ce qui a trait à la langue française ou anglaise ou à ces deux langues, de porter atteinte aux droits, privilèges ou obligations qui existent ou sont maintenus aux termes d'une autre disposition de la Constitution du Canada.

Maintien en vigueur de certaines dispositions

Rights and privileges preserved

22. Nothing in sections 16 to 20 abrogates or derogates from any legal or customary right or privilege acquired or enjoyed either before or after the coming into force of this Charter with respect to any language that is not English or French.

22. Les articles 16 à 20 n'ont pas pour effet de porter atteinte aux droits et privilèges, antérieurs ou postérieurs à l'entrée en vigueur de la présente charte et découlant de la loi ou de la coutume, des langues autres que le français ou l'anglais.

Droits préservés

Minority Language Educational Rights

Droits à l'instruction dans la langue de la minorité

Language of instruction

23. (1) Citizens of Canada

(*a*) whose first language learned and still understood is that of the English or French linguistic minority population of the province in which they reside, or

(*b*) who have received their primary school instruction in Canada in English or French and reside in a province where the language in which they received that instruction is the language of the English or French linguistic minority population of the province,

have the right to have their children receive primary and secondary school instruction in that language in that province.

23. (1) Les citoyens canadiens :

a) dont la première langue apprise et encore comprise est celle de la minorité francophone ou anglophone de la province où ils résident,

b) qui ont reçu leur instruction, au niveau primaire, en français ou en anglais au Canada et qui résident dans une province où la langue dans laquelle ils ont reçu cette instruction est celle de la minorité francophone ou anglophone de la province,

ont, dans l'un ou l'autre cas, le droit d'y faire instruire leurs enfants, aux niveaux primaire et secondaire, dans cette langue.

Langue d'instruction

Continuity of language instruction

(2) Citizens of Canada of whom any child has received or is receiving primary or secondary school instruction in English or French in Canada, have the right to have all their children receive primary and secondary school instruction in the same language.

(2) Les citoyens canadiens dont un enfant a reçu ou reçoit son instruction, au niveau primaire ou secondaire, en français ou en anglais au Canada ont le droit de faire instruire tous leurs enfants, aux niveaux primaire et secondaire, dans la langue de cette instruction.

Continuité d'emploi de la langue d'instruction

Application where numbers warrant

(3) The right of citizens of Canada under subsections (1) and (2) to have their children receive primary and secondary school instruction in the language of the English or French linguistic minority population of a province

(*a*) applies wherever in the province the number of children of citizens who have such a right is sufficient to warrant the provision to them out of public funds of minority language instruction; and

(*b*) includes, where the number of those children so warrants, the right to have them receive that instruction in minority language educational facilities provided out of public funds.

Justification par le nombre

(3) Le droit reconnu aux citoyens canadiens par les paragraphes (1) et (2) de faire instruire leurs enfants, aux niveaux primaire et secondaire, dans la langue de la minorité francophone ou anglophone d'une province :

a) s'exerce partout dans la province où le nombre des enfants des citoyens qui ont ce droit est suffisant pour justifier à leur endroit la prestation, sur les fonds publics, de l'instruction dans la langue de la minorité;

b) comprend, lorsque le nombre de ces enfants le justifie, le droit de les faire instruire dans des établissements d'enseignement de la minorité linguistique financés sur les fonds publics.

Enforcement

Enforcement of guaranteed rights and freedoms

24. (1) Anyone whose rights or freedoms, as guaranteed by this Charter, have been infringed or denied may apply to a court of competent jurisdiction to obtain such remedy as the court considers appropriate and just in the circumstances.

Exclusion of evidence bringing administration of justice into disrepute

(2) Where, in proceedings under subsection (1), a court concludes that evidence was obtained in a manner that infringed or denied any rights or freedoms guaranteed by this Charter, the evidence shall be excluded if it is established that, having regard to all the circumstances, the admission of it in the proceedings would bring the administration of justice into disrepute.

Recours

Recours en cas d'atteinte aux droits et libertés

24. (1) Toute personne, victime de violation ou de négation des droits ou libertés qui lui sont garantis par la présente charte, peut s'adresser à un tribunal compétent pour obtenir la réparation que le tribunal estime convenable et juste eu égard aux circonstances.

Irrecevabilité d'éléments de preuve qui risqueraient de déconsidérer l'administration de la justice

(2) Lorsque, dans une instance visée au paragraphe (1), le tribunal a conclu que des éléments de preuve ont été obtenus dans des conditions qui portent atteinte aux droits ou libertés garantis par la présente charte, ces éléments de preuve sont écartés s'il est établi, eu égard aux circonstances, que leur utilisation est susceptible de déconsidérer l'administration de la justice.

General

Aboriginal rights and freedoms not affected by Charter

25. The guarantee in this Charter of certain rights and freedoms shall not be construed so as to abrogate or derogate from any aboriginal, treaty or other rights or freedoms that pertain to the aboriginal peoples of Canada including

(*a*) any rights or freedoms that have been recognized by the Royal Proclamation of October 7, 1763; and

(*b*) any rights or freedoms that may be acquired by the aboriginal peoples of Canada by way of land claims settlement.

Dispositions générales

Maintien des droits et libertés des autochtones

25. Le fait que la présente charte garantit certains droits et libertés ne porte pas atteinte aux droits ou libertés — ancestraux, issus de traités ou autres — des peuples autochtones du Canada, notamment :

a) aux droits ou libertés reconnus par la Proclamation royale du 7 octobre 1763;

b) aux droits ou libertés acquis par règlement de revendications territoriales.

Other rights and freedoms not affected by Charter

26. The guarantee in this Charter of certain rights and freedoms shall not be con-

Maintien des autres droits et libertés

26. Le fait que la présente charte garantit certains droits et libertés ne constitue pas

strued as denying the existence of any other rights or freedoms that exist in Canada.

une négation des autres droits ou libertés qui existent au Canada.

Multicultural heritage

27. This Charter shall be interpreted in a manner consistent with the preservation and enhancement of the multicultural heritage of Canadians.

27. Toute interprétation de la présente charte doit concorder avec l'objectif de promouvoir le maintien et la valorisation du patrimoine multiculturel des Canadiens.

Maintien du patrimoine culturel

Rights guaranteed equally to both sexes

28. Notwithstanding anything in this Charter, the rights and freedoms referred to in it are guaranteed equally to male and female persons.

28. Indépendamment des autres dispositions de la présente charte, les droits et libertés qui y sont mentionnés sont garantis également aux personnes des deux sexes.

Égalité de garantie des droits pour les deux sexes

Rights respecting certain schools preserved

29. Nothing in this Charter abrogates or derogates from any rights or privileges guaranteed by or under the Constitution of Canada in respect of denominational, separate or dissentient schools.

29. Les dispositions de la présente charte ne portent pas atteinte aux droits ou privilèges garantis en vertu de la Constitution du Canada concernant les écoles séparées et autres écoles confessionnelles.

Maintien des droits relatifs à certaines écoles

Application to territories and territorial authorities

30. A reference in this Charter to a province or to the legislative assembly or legislature of a province shall be deemed to include a reference to the Yukon Territory and the Northwest Territories, or to the appropriate legislative authority thereof, as the case may be.

30. Dans la présente charte, les dispositions qui visent les provinces, leur législature ou leur assemblée législative visent également le territoire du Yukon, les territoires du Nord-Ouest ou leurs autorités législatives compétentes.

Application aux territoires

Legislative powers not extended

31. Nothing in this Charter extends the legislative powers of any body or authority.

31. La présente charte n'élargit pas les compétences législatives de quelque organisme ou autorité que ce soit.

Non-élargissement des compétences législatives

Application of Charter

Application de la charte

Application of Charter

32. (1) This Charter applies

(*a*) to the Parliament and government of Canada in respect of all matters within the authority of Parliament including all matters relating to the Yukon Territory and Northwest Territories; and

(*b*) to the legislature and government of each province in respect of all matters within the authority of the legislature of each province.

32. (1) La présente charte s'applique :

a) au Parlement et au gouvernement du Canada, pour tous les domaines relevant du Parlement, y compris ceux qui concernent le territoire du Yukon et les territoires du Nord-Ouest;

b) à la législature et au gouvernement de chaque province, pour tous les domaines relevant de cette législature.

Application de la charte

Exception

(2) Notwithstanding subsection (1), section 15 shall not have effect until three years after this section comes into force.

(2) Par dérogation au paragraphe (1), l'article 15 n'a d'effet que trois ans après l'entrée en vigueur du présent article.

Restriction

Exception where express declaration

33. (1) Parliament or the legislature of a province may expressly declare in an Act of Parliament or of the legislature, as the case may be, that the Act or a provision thereof shall operate notwithstanding a provision included in section 2 or sections 7 to 15 of this Charter.

33. (1) Le Parlement ou la législature d'une province peut adopter une loi où il est expressément déclaré que celle-ci ou une de ses dispositions a effet indépendamment d'une disposition donnée de l'article 2 ou des articles 7 à 15 de la présente charte.

Dérogation par déclaration expresse

The Constitution

Operation of exception

(2) An Act or a provision of an Act in respect of which a declaration made under this section is in effect shall have such operation as it would have but for the provision of this Charter referred to in the declaration.

Effet de la dérogation

(2) La loi ou la disposition qui fait l'objet d'une déclaration conforme au présent article et en vigueur a l'effet qu'elle aurait sauf la disposition en cause de la charte.

Five year limitation

(3) A declaration made under subsection (1) shall cease to have effect five years after it comes into force or on such earlier date as may be specified in the declaration.

Durée de validité

(3) La déclaration visée au paragraphe (1) cesse d'avoir effet à la date qui y est précisée ou, au plus tard, cinq ans après son entrée en vigueur.

Re-enactment

(4) Parliament or a legislature of a province may re-enact a declaration made under subsection (1).

Nouvelle adoption

(4) Le Parlement ou une législature peut adopter de nouveau une déclaration visée au paragraphe (1).

Five year limitation

(5) Subsection (3) applies in respect of a re-enactment made under subsection (4).

Durée de validité

(5) Le paragraphe (3) s'applique à toute déclaration adoptée sous le régime du paragraphe (4).

Citation

Citation

34. This Part may be cited as the *Canadian Charter of Rights and Freedoms*.

Titre

34. Titre de la présente partie : *Charte canadienne des droits et libertés*.

Titre

PART II

RIGHTS OF THE ABORIGINAL PEOPLES OF CANADA

PARTIE II

DROITS DES PEUPLES AUTOCHTONES DU CANADA

Recognition of existing aboriginal and treaty rights

35. (1) The existing aboriginal and treaty rights of the aboriginal peoples of Canada are hereby recognized and affirmed.

Confirmation des droits existants des peuples autochtones

35. (1) Les droits existants — ancestraux ou issus de traités — des peuples autochtones du Canada sont reconnus et confirmés.

Definition of "aboriginal peoples of Canada"

(2) In this Act, "aboriginal peoples of Canada" includes the Indian, Inuit and Métis peoples of Canada.

Définition de «peuples autochtones du Canada»

(2) Dans la présente loi, «peuples autochtones du Canada» s'entend notamment des Indiens, des Inuit et des Métis du Canada.

PART III

EQUALIZATION AND REGIONAL DISPARITIES

PARTIE III

PÉRÉQUATION ET INÉGALITÉS RÉGIONALES

Commitment to promote equal opportunities

36. (1) Without altering the legislative authority of Parliament or of the provincial legislatures, or the rights of any of them with respect to the exercise of their legislative authority, Parliament and the legislatures, together with the government of Canada and the provincial governments, are committed to

(*a*) promoting equal opportunities for the well-being of Canadians;

(*b*) furthering economic development to reduce disparity in opportunities; and

(*c*) providing essential public services of reasonable quality to all Canadians.

Engagements relatifs à l'égalité des chances

36. (1) Sous réserve des compétences législatives du Parlement et des législatures et de leur droit de les exercer, le Parlement et les législatures, ainsi que les gouvernements fédéral et provinciaux, s'engagent à :

a) promouvoir l'égalité des chances de tous les Canadiens dans la recherche de leur bien-être;

b) favoriser le développement économique pour réduire l'inégalité des chances;

c) fournir à tous les Canadiens, à un niveau de qualité acceptable, les services publics essentiels.

Commitment respecting public services

(2) Parliament and the government of Canada are committed to the principle of making equalization payments to ensure that provincial governments have sufficient revenues to provide reasonably comparable levels of public services at reasonably comparable levels of taxation.

Engagement relatif aux services publics

(2) Le Parlement et le gouvernement du Canada prennent l'engagement de principe de faire des paiements de péréquation propres à donner aux gouvernements provinciaux des revenus suffisants pour les mettre en mesure d'assurer les services publics à un niveau de qualité et de fiscalité sensiblement comparables.

PART IV

CONSTITUTIONAL CONFERENCE

Constitutional conference

37. (1) A constitutional conference composed of the Prime Minister of Canada and the first ministers of the provinces shall be convened by the Prime Minister of Canada within one year after this Part comes into force.

Conférence constitutionnelle

37. (1) Dans l'année suivant l'entrée en vigueur de la présente partie, le premier ministre du Canada convoque une conférence constitutionnelle réunissant les premiers ministres provinciaux et lui-même.

Participation of aboriginal peoples

(2) The conference convened under subsection (1) shall have included in its agenda an item respecting constitutional matters that directly affect the aboriginal peoples of Canada, including the identification and definition of the rights of those peoples to be included in the Constitution of Canada, and the Prime Minister of Canada shall invite representatives of those peoples to participate in the discussions on that item.

Participation des peuples autochtones

(2) Sont placées à l'ordre du jour de la conférence visée au paragraphe (1) les questions constitutionnelles qui intéressent directement les peuples autochtones du Canada, notamment la détermination et la définition des droits de ces peuples à inscrire dans la Constitution du Canada. Le premier ministre du Canada invite leurs représentants à participer aux travaux relatifs à ces questions.

Participation of territories

(3) The Prime Minister of Canada shall invite elected representatives of the governments of the Yukon Territory and the Northwest Territories to participate in the discussions on any item on the agenda of the conference convened under subsection (1) that, in the opinion of the Prime Minister, directly affects the Yukon Territory and the Northwest Territories.

Participation des territoires

(3) Le premier ministre du Canada invite des représentants élus des gouvernements du territoire du Yukon et des territoires du Nord-Ouest à participer aux travaux relatifs à toute question placée à l'ordre du jour de la conférence visée au paragraphe (1) et qui, selon lui, intéresse directement le territoire du Yukon et les territoires du Nord-Ouest.

PART V

PROCEDURE FOR AMENDING CONSTITUTION OF CANADA

General procedure for amending Constitution of Canada

38. (1) An amendment to the Constitution of Canada may be made by proclamation issued by the Governor General under the Great Seal of Canada where so authorized by

(*a*) resolutions of the Senate and House of Commons; and

(*b*) resolutions of the legislative assemblies of at least two-thirds of the provinces

PARTIE V

PROCÉDURE DE MODIFICATION DE LA CONSTITUTION DU CANADA

Procédure normale de modification

38. (1) La Constitution du Canada peut être modifiée par proclamation du gouverneur général sous le grand sceau du Canada, autorisée à la fois :

a) par des résolutions du Sénat et de la Chambre des communes;

b) par des résolutions des assemblées législatives d'au moins deux tiers des provinces dont la population confondue repré-

that have, in the aggregate, according to the then latest general census, at least fifty per cent of the population of all the provinces.

sente, selon le recensement général le plus récent à l'époque, au moins cinquante pour cent de la population de toutes les provinces.

Majority of members

(2) An amendment made under subsection (1) that derogates from the legislative powers, the proprietary rights or any other rights or privileges of the legislature or government of a province shall require a resolution supported by a majority of the members of each of the Senate, the House of Commons and the legislative assemblies required under subsection (1).

(2) Une modification faite conformément au paragraphe (1) mais dérogatoire à la compétence législative, aux droits de propriété ou à tous autres droits ou privilèges d'une législature ou d'un gouvernement provincial exige une résolution adoptée à la majorité des sénateurs, des députés fédéraux et des députés de chacune des assemblées législatives du nombre requis de provinces. Majorité simple

Expression of dissent

(3) An amendment referred to in subsection (2) shall not have effect in a province the legislative assembly of which has expressed its dissent thereto by resolution supported by a majority of its members prior to the issue of the proclamation to which the amendment relates unless that legislative assembly, subsequently, by resolution supported by a majority of its members, revokes its dissent and authorizes the amendment.

(3) La modification visée au paragraphe (2) est sans effet dans une province dont l'assemblée législative a, avant la prise de la proclamation, exprimé son désaccord par une résolution adoptée à la majorité des députés, sauf si cette assemblée, par résolution également adoptée à la majorité, revient sur son désaccord et autorise la modification. Désaccord

Revocation of dissent

(4) A resolution of dissent made for the purposes of subsection (3) may be revoked at any time before or after the issue of the proclamation to which it relates.

(4) La résolution de désaccord visée au paragraphe (3) peut être révoquée à tout moment, indépendamment de la date de la proclamation à laquelle elle se rapporte. Levée du désaccord

Restriction on proclamation

39. (1) A proclamation shall not be issued under subsection 38(1) before the expiration of one year from the adoption of the resolution initiating the amendment procedure thereunder, unless the legislative assembly of each province has previously adopted a resolution of assent or dissent.

39. (1) La proclamation visée au paragraphe 38(1) ne peut être prise dans l'année suivant l'adoption de la résolution à l'origine de la procédure de modification que si l'assemblée législative de chaque province a préalablement adopté une résolution d'agrément ou de désaccord. Restriction

Idem

(2) A proclamation shall not be issued under subsection 38(1) after the expiration of three years from the adoption of the resolution initiating the amendment procedure thereunder.

(2) La proclamation visée au paragraphe 38(1) ne peut être prise que dans les trois ans suivant l'adoption de la résolution à l'origine de la procédure de modification. Idem

Compensation

40. Where an amendment is made under subsection 38(1) that transfers provincial legislative powers relating to education or other cultural matters from provincial legislatures to Parliament, Canada shall provide reasonable compensation to any province to which the amendment does not apply.

40. Le Canada fournit une juste compensation aux provinces auxquelles ne s'applique pas une modification faite conformément au paragraphe 38(1) et relative, en matière d'éducation ou dans d'autres domaines culturels, à un transfert de compétences législatives provinciales au Parlement. Compensation

Amendment by unanimous consent

41. An amendment to the Constitution of Canada in relation to the following matters

41. Toute modification de la Constitution du Canada portant sur les questions suivan- Consentement unanime

may be made by proclamation issued by the Governor General under the Great Seal of Canada only where authorized by resolutions of the Senate and House of Commons and of the legislative assembly of each province:

(*a*) the office of the Queen, the Governor General and the Lieutenant Governor of a province;

(*b*) the right of a province to a number of members in the House of Commons not less than the number of Senators by which the province is entitled to be represented at the time this Part comes into force;

(*c*) subject to section 43, the use of the English or the French language;

(*d*) the composition of the Supreme Court of Canada; and

(*e*) an amendment to this Part.

tes se fait par proclamation du gouverneur général sous le grand sceau du Canada, autorisée par des résolutions du Sénat, de la Chambre des communes et de l'assemblée législative de chaque province :

a) la charge de Reine, celle de gouverneur général et celle de lieutenant-gouverneur;

b) le droit d'une province d'avoir à la Chambre des communes un nombre de députés au moins égal à celui des sénateurs par lesquels elle est habilitée à être représentée lors de l'entrée en vigueur de la présente partie;

c) sous réserve de l'article 43, l'usage du français ou de l'anglais;

d) la composition de la Cour suprême du Canada;

e) la modification de la présente partie.

Amendment by general procedure

42. (1) An amendment to the Constitution of Canada in relation to the following matters may be made only in accordance with subsection 38(1):

(*a*) the principle of proportionate representation of the provinces in the House of Commons prescribed by the Constitution of Canada;

(*b*) the powers of the Senate and the method of selecting Senators;

(*c*) the number of members by which a province is entitled to be represented in the Senate and the residence qualifications of Senators;

(*d*) subject to paragraph 41(*d*), the Supreme Court of Canada;

(*e*) the extension of existing provinces into the territories; and

(*f*) notwithstanding any other law or practice, the establishment of new provinces.

Procédure normale de modification

42. (1) Toute modification de la Constitution du Canada portant sur les questions suivantes se fait conformément au paragraphe 38(1) :

a) le principe de la représentation proportionnelle des provinces à la Chambre des communes prévu par la Constitution du Canada;

b) les pouvoirs du Sénat et le mode de sélection des sénateurs;

c) le nombre des sénateurs par lesquels une province est habilitée à être représentée et les conditions de résidence qu'ils doivent remplir;

d) sous réserve de l'alinéa 41*d*), la Cour suprême du Canada;

e) le rattachement aux provinces existantes de tout ou partie des territoires;

f) par dérogation à toute autre loi ou usage, la création de provinces.

Exception

(2) Subsections 38(2) to (4) do not apply in respect of amendments in relation to matters referred to in subsection (1).

Exception

(2) Les paragraphes 38(2) à (4) ne s'appliquent pas aux questions mentionnées au paragraphe (1).

Amendment of provisions relating to some but not all provinces

43. An amendment to the Constitution of Canada in relation to any provision that applies to one or more, but not all, provinces, including

(*a*) any alteration to boundaries between provinces, and

Modification à l'égard de certaines provinces

43. Les dispositions de la Constitution du Canada applicables à certaines provinces seulement ne peuvent être modifiées que par proclamation du gouverneur général sous le grand sceau du Canada, autorisée par des résolutions du Sénat, de la Chambre des

(*b*) any amendment to any provision that relates to the use of the English or the French language within a province,

may be made by proclamation issued by the Governor General under the Great Seal of Canada only where so authorized by resolutions of the Senate and House of Commons and of the legislative assembly of each province to which the amendment applies.

communes et de l'assemblée législative de chaque province concernée. Le présent article s'applique notamment :

a) aux changements du tracé des frontières interprovinciales;

b) aux modifications des dispositions relatives à l'usage du français ou de l'anglais dans une province.

Amendments by Parliament

44. Subject to sections 41 and 42, Parliament may exclusively make laws amending the Constitution of Canada in relation to the executive government of Canada or the Senate and House of Commons.

44. Sous réserve des articles 41 et 42, le Parlement a compétence exclusive pour modifier les dispositions de la Constitution du Canada relatives au pouvoir exécutif fédéral, au Sénat ou à la Chambre des communes.

Modification par le Parlement

Amendments by provincial legislatures

45. Subject to section 41, the legislature of each province may exclusively make laws amending the constitution of the province.

45. Sous réserve de l'article 41, une législature a compétence exclusive pour modifier la constitution de sa province.

Modification par les législatures

Initiation of amendment procedures

46. (1) The procedures for amendment under sections 38, 41, 42 and 43 may be initiated either by the Senate or the House of Commons or by the legislative assembly of a province.

46. (1) L'initiative des procédures de modification visées aux articles 38, 41, 42 et 43 appartient au Sénat, à la Chambre des communes ou à une assemblée législative.

Initiative des procédures

Revocation of authorization

(2) A resolution of assent made for the purposes of this Part may be revoked at any time before the issue of a proclamation authorized by it.

(2) Une résolution d'agrément adoptée dans le cadre de la présente partie peut être révoquée à tout moment avant la date de la proclamation qu'elle autorise.

Possibilité de révocation

Amendments without Senate resolution

47. (1) An amendment to the Constitution of Canada made by proclamation under section 38, 41, 42 or 43 may be made without a resolution of the Senate authorizing the issue of the proclamation if, within one hundred and eighty days after the adoption by the House of Commons of a resolution authorizing its issue, the Senate has not adopted such a resolution and if, at any time after the expiration of that period, the House of Commons again adopts the resolution.

47. (1) Dans les cas visés à l'article 38, 41, 42 ou 43, il peut être passé outre au défaut d'autorisation du Sénat si celui-ci n'a pas adopté de résolution dans un délai de cent quatre-vingts jours suivant l'adoption de celle de la Chambre des communes et si cette dernière, après l'expiration du délai, adopte une nouvelle résolution dans le même sens.

Modification sans résolution du Sénat

Computation of period

(2) Any period when Parliament is prorogued or dissolved shall not be counted in computing the one hundred and eighty day period referred to in subsection (1).

(2) Dans la computation du délai visé au paragraphe (1), ne sont pas comptées les périodes pendant lesquelles le Parlement est prorogé ou dissous.

Computation du délai

Advice to issue proclamation

48. The Queen's Privy Council for Canada shall advise the Governor General to issue a proclamation under this Part forthwith on the adoption of the resolutions

48. Le Conseil privé de la Reine pour le Canada demande au gouverneur général de prendre, conformément à la présente partie, une proclamation dès l'adoption des résolu-

Demande de proclamation

required for an amendment made by proclamation under this Part.

Constitutional conference

49. A constitutional conference composed of the Prime Minister of Canada and the first ministers of the provinces shall be convened by the Prime Minister of Canada within fifteen years after this Part comes into force to review the provisions of this Part.

tions prévues par cette partie pour une modification par proclamation.

Conférence constitutionnelle

49. Dans les quinze ans suivant l'entrée en vigueur de la présente partie, le premier ministre du Canada convoque une conférence constitutionnelle réunissant les premiers ministres provinciaux et lui-même, en vue du réexamen des dispositions de cette partie.

PART VI

AMENDMENT TO THE CONSTITUTION ACT, 1867

PARTIE VI

MODIFICATION DE LA LOI CONSTITUTIONNELLE DE 1867

Amendment to *Constitution Act, 1867*

50. The *Constitution Act, 1867* (formerly named the *British North America Act, 1867*) is amended by adding thereto, immediately after section 92 thereof, the following heading and section:

Modification de la *Loi constitutionnelle de 1867*

50. La *Loi constitutionnelle de 1867* (antérieurement désignée sous le titre : *Acte de l'Amérique du Nord britannique, 1867*) est modifiée par insertion, après l'article 92, de la rubrique et de l'article suivants :

"Non-Renewable Natural Resources, Forestry Resources and Electrical Energy

«Ressources naturelles non renouvelables, ressources forestières et énergie électrique

Laws respecting non-renewable natural resources, forestry resources and electrical energy

92A. (1) In each province, the legislature may exclusively make laws in relation to

(*a*) exploration for non-renewable natural resources in the province;

(*b*) development, conservation and management of non-renewable natural resources and forestry resources in the province, including laws in relation to the rate of primary production therefrom; and

(*c*) development, conservation and management of sites and facilities in the province for the generation and production of electrical energy.

Compétence provinciale

92A. (1) La législature de chaque province a compétence exclusive pour légiférer dans les domaines suivants :

a) prospection des ressources naturelles non renouvelables de la province;

b) exploitation, conservation et gestion des ressources naturelles non renouvelables et des ressources forestières de la province, y compris leur rythme de production primaire;

c) aménagement, conservation et gestion des emplacements et des installations de la province destinés à la production d'énergie électrique.

Export from provinces of resources

(2) In each province, the legislature may make laws in relation to the export from the province to another part of Canada of the primary production from non-renewable natural resources and forestry resources in the province and the production from facilities in the province for the generation of electrical energy, but such laws may not authorize or provide for discrimination in prices or in supplies exported to another part of Canada.

Exportation hors des provinces

(2) La législature de chaque province a compétence pour légiférer en ce qui concerne l'exportation, hors de la province, à destination d'une autre partie du Canada, de la production primaire tirée des ressources naturelles non renouvelables et des ressources forestières de la province, ainsi que de la production d'énergie électrique de la province, sous réserve de ne pas adopter de lois autorisant ou prévoyant des disparités de prix ou des disparités dans les exportations destinées à une autre partie du Canada.

The Constitution

Authority of Parliament

(3) Nothing in subsection (2) derogates from the authority of Parliament to enact laws in relation to the matters referred to in that subsection and, where such a law of Parliament and a law of a province conflict, the law of Parliament prevails to the extent of the conflict.

Taxation of resources

(4) In each province, the legislature may make laws in relation to the raising of money by any mode or system of taxation in respect of

(*a*) non-renewable natural resources and forestry resources in the province and the primary production therefrom, and

(*b*) sites and facilities in the province for the generation of electrical energy and the production therefrom,

whether or not such production is exported in whole or in part from the province, but such laws may not authorize or provide for taxation that differentiates between production exported to another part of Canada and production not exported from the province.

"Primary production"

(5) The expression "primary production" has the meaning assigned by the Sixth Schedule.

Existing powers or rights

(6) Nothing in subsections (1) to (5) derogates from any powers or rights that a legislature or government of a province had immediately before the coming into force of this section."

Idem

51. The said Act is further amended by adding thereto the following Schedule:

"THE SIXTH SCHEDULE

Primary Production from Non-Renewable Natural Resources and Forestry Resources

1. For the purposes of section 92A of this Act,

Pouvoir du Parlement

(3) Le paragraphe (2) ne porte pas atteinte au pouvoir du Parlement de légiférer dans les domaines visés à ce paragraphe, les dispositions d'une loi du Parlement adoptée dans ces domaines l'emportant sur les dispositions incompatibles d'une loi provinciale.

Taxation des ressources

(4) La législature de chaque province a compétence pour prélever des sommes d'argent par tout mode ou système de taxation :

a) des ressources naturelles non renouvelables et des ressources forestières de la province, ainsi que de la production primaire qui en est tirée;

b) des emplacements et des installations de la province destinés à la production d'énergie électrique, ainsi que de cette production même.

Cette compétence peut s'exercer indépendamment du fait que la production en cause soit ou non, en totalité ou en partie, exportée hors de la province, mais les lois adoptées dans ces domaines ne peuvent autoriser ou prévoir une taxation qui établisse une distinction entre la production exportée à destination d'une autre partie du Canada et la production non exportée hors de la province.

«Production primaire»

(5) L'expression «production primaire» a le sens qui lui est donné dans la sixième annexe.

Pouvoirs ou droits existants

(6) Les paragraphes (1) à (5) ne portent pas atteinte aux pouvoirs ou droits détenus par la législature ou le gouvernement d'une province lors de l'entrée en vigueur du présent article.»

Idem

51. Ladite loi est en outre modifiée par adjonction de l'annexe suivante :

«SIXIÈME ANNEXE

Production primaire tirée des ressources naturelles non renouvelables et des ressources forestières

1. Pour l'application de l'article 92A :

(*a*) production from a non-renewable natural resource is primary production therefrom if

(i) it is in the form in which it exists upon its recovery or severance from its natural state, or

(ii) it is a product resulting from processing or refining the resource, and is not a manufactured product or a product resulting from refining crude oil, refining upgraded heavy crude oil, refining gases or liquids derived from coal or refining a synthetic equivalent of crude oil; and

(*b*) production from a forestry resource is primary production therefrom if it consists of sawlogs, poles, lumber, wood chips, sawdust or any other primary wood product, or wood pulp, and is not a product manufactured from wood."

a) on entend par production primaire tirée d'une ressource naturelle non renouvelable :

(i) soit le produit qui se présente sous la même forme que lors de son extraction du milieu naturel,

(ii) soit le produit non manufacturé de la transformation, du raffinage ou de l'affinage d'une ressource, à l'exception du produit du raffinage du pétrole brut, du raffinage du pétrole brut lourd amélioré, du raffinage des gaz ou des liquides dérivés du charbon ou du raffinage d'un équivalent synthétique du pétrole brut;

b) on entend par production primaire tirée d'une ressource forestière la production constituée de billots, de poteaux, de bois d'œuvre, de copeaux, de sciure ou d'autre produit primaire du bois, ou de pâte de bois, à l'exception d'un produit manufacturé en bois.»

PART VII

GENERAL

PARTIE VII

DISPOSITIONS GÉNÉRALES

Primacy of Constitution of Canada

52. (1) The Constitution of Canada is the supreme law of Canada, and any law that is inconsistent with the provisions of the Constitution is, to the extent of the inconsistency, of no force or effect.

Primauté de la Constitution du Canada

52. (1) La Constitution du Canada est la loi suprême du Canada; elle rend inopérantes les dispositions incompatibles de toute autre règle de droit.

Constitution of Canada

(2) The Constitution of Canada includes

(*a*) the *Canada Act*, including this Act;

(*b*) the Acts and orders referred to in Schedule I; and

(*c*) any amendment to any Act or order referred to in paragraph (*a*) or (*b*).

Constitution du Canada

(2) La Constitution du Canada comprend :

a) la *Loi sur le Canada*, y compris la présente loi;

b) les textes législatifs et les décrets figurant à l'annexe I;

c) les modifications des textes législatifs et des décrets mentionnés aux alinéas *a*) ou *b*).

Amendments to Constitution of Canada

(3) Amendments to the Constitution of Canada shall be made only in accordance with the authority contained in the Constitution of Canada.

Modification

(3) La Constitution du Canada ne peut être modifiée que conformément aux pouvoirs conférés par elle.

Repeals and new names

53. (1) The enactments referred to in Column I of Schedule I are hereby repealed or amended to the extent indicated in Column II thereof and, unless repealed, shall continue as law in Canada under the names set out in Column III thereof.

Abrogation et nouveaux titres

53. (1) Les textes législatifs et les décrets énumérés à la colonne I de l'annexe I sont abrogés ou modifiés dans la mesure indiquée à la colonne II. Sauf abrogation, ils restent en vigueur en tant que lois du Canada sous les titres mentionnés à la colonne III.

Consequential amendments

(2) Every enactment, except the *Canada Act*, that refers to an enactment referred to in Schedule I by the name in Column I thereof is hereby amended by substituting for that name the corresponding name in Column III thereof, and any British North America Act not referred to in Schedule I may be cited as the *Constitution Act* followed by the year and number, if any, of its enactment.

Modifications corrélatives

(2) Tout texte législatif ou réglementaire, sauf la *Loi sur le Canada*, qui fait mention d'un texte législatif ou décret figurant à l'annexe I par le titre indiqué à la colonne I est modifié par substitution à ce titre du titre correspondant mentionné à la colonne III; tout Acte de l'Amérique du Nord britannique non mentionné à l'annexe I peut être cité sous le titre de *Loi constitutionnelle* suivi de l'indication de l'année de son adoption et éventuellement de son numéro.

Repeal and consequential amendments

54. Part IV is repealed on the day that is one year after this Part comes into force and this section may be repealed and this Act renumbered, consequential upon the repeal of Part IV and this section, by proclamation issued by the Governor General under the Great Seal of Canada.

Abrogation et modifications qui en découlent

54. La partie IV est abrogée un an après l'entrée en vigueur de la présente partie et le gouverneur général peut, par proclamation sous le grand sceau du Canada, abroger le présent article et apporter en conséquence de cette double abrogation les aménagements qui s'imposent à la présente loi.

French version of Constitution of Canada

55. A French version of the portions of the Constitution of Canada referred to in Schedule I shall be prepared by the Minister of Justice of Canada as expeditiously as possible and, when any portion thereof sufficient to warrant action being taken has been so prepared, it shall be put forward for enactment by proclamation issued by the Governor General under the Great Seal of Canada pursuant to the procedure then applicable to an amendment of the same provisions of the Constitution of Canada.

Version française de certains textes constitutionnels

55. Le ministre de la Justice du Canada est chargé de rédiger, dans les meilleurs délais, la version française des parties de la Constitution du Canada qui figurent à l'annexe I; toute partie suffisamment importante est, dès qu'elle est prête, déposée pour adoption par proclamation du gouverneur général sous le grand sceau du Canada, conformément à la procédure applicable à l'époque à la modification des dispositions constitutionnelles qu'elle contient.

English and French versions of certain constitutional texts

56. Where any portion of the Constitution of Canada has been or is enacted in English and French or where a French version of any portion of the Constitution is enacted pursuant to section 55, the English and French versions of that portion of the Constitution are equally authoritative.

Versions française et anglaise de certains textes constitutionnels

56. Les versions française et anglaise des parties de la Constitution du Canada adoptées dans ces deux langues ont également force de loi. En outre, ont également force de loi, dès l'adoption, dans le cadre de l'article 55, d'une partie de la version française de la Constitution, cette partie et la version anglaise correspondante.

English and French versions of this Act

57. The English and French versions of this Act are equally authoritative.

Versions française et anglaise de la présente loi

57. Les versions française et anglaise de la présente loi ont également force de loi.

Commencement

58. Subject to section 59, this Act shall come into force on a day to be fixed by proclamation issued by the Queen or the Governor General under the Great Seal of Canada.

Entrée en vigueur

58. Sous réserve de l'article 59, la présente loi entre en vigueur à la date fixée par proclamation de la Reine ou du gouverneur général sous le grand sceau du Canada.

Commencement of paragraph 23(1)(*a*) in respect of Quebec

59. (1) Paragraph 23(1)(*a*) shall come into force in respect of Quebec on a day to be

Entrée en vigueur de l'alinéa 23(1)*a*) pour le Québec

59. (1) L'alinéa 23(1)*a*) entre en vigueur pour le Québec à la date fixée par proclama-

fixed by proclamation issued by the Queen or the Governor General under the Great Seal of Canada.

tion de la Reine ou du gouverneur général sous le grand sceau du Canada.

Authorization of Quebec

(2) A proclamation under subsection (1) shall be issued only where authorized by the legislative assembly or government of Quebec.

(2) La proclamation visée au paragraphe (1) ne peut être prise qu'après autorisation de l'assemblée législative ou du gouvernement du Québec.

Autorisation du Québec

Repeal of this section

(3) This section may be repealed on the day paragraph 23(1)(*a*) comes into force in respect of Quebec and this Act amended and renumbered, consequential upon the repeal of this section, by proclamation issued by the Queen or the Governor General under the Great Seal of Canada.

(3) Le présent article peut être abrogé à la date d'entrée en vigueur de l'alinéa 23(1)*a*) pour le Québec, et la présente loi faire l'objet, dès cette abrogation, des modifications et changements de numérotation qui en découlent, par proclamation de la Reine ou du gouverneur général sous le grand sceau du Canada.

Abrogation du présent article

Short title and citations

60. This Act may be cited as the *Constitution Act, 1981*, and the Constitution Acts 1867 to 1975 (No. 2) and this Act may be cited together as the *Constitution Acts, 1867 to 1981*.

60. Titre abrégé de la présente annexe : *Loi constitutionnelle de 1981*; titre commun des lois constitutionnelles de 1867 à 1975 (nº 2) et de la présente loi : *Lois constitutionnelles de 1867 à 1981*.

Titres

SCHEDULE I

to the

CONSTITUTION ACT, 1981

MODERNIZATION OF THE CONSTITUTION

Item	Column I Act Affected	Column II Amendment	Column III New Name
1.	British North America Act, 1867, 30-31 Vict., c. 3 (U.K.)	(1) Section 1 is repealed and the following substituted therefor: "1. This Act may be cited as the *Constitution Act, 1867*." (2) Section 20 is repealed. (3) Class 1 of section 91 is repealed. (4) Class 1 of section 92 is repealed.	Constitution Act, 1867
2.	An Act to amend and continue the Act 32-33 Victoria chapter 3; and to establish and provide for the Government of the Province of Manitoba, 1870, 33 Vict., c. 3 (Can.)	(1) The long title is repealed and the following substituted therefor: "*Manitoba Act, 1870.*" (2) Section 20 is repealed.	Manitoba Act, 1870
3.	Order of Her Majesty in Council admitting Rupert's Land and the North-Western Territory into the union, dated the 23rd day of June, 1870		Rupert's Land and North-Western Territory Order
4.	Order of Her Majesty in Council admitting British Columbia into the Union, dated the 16th day of May, 1871		British Columbia Terms of Union
5.	British North America Act, 1871, 34-35 Vict., c. 28 (U.K.)	Section 1 is repealed and the following substituted therefor: "1. This Act may be cited as the *Constitution Act, 1871*."	Constitution Act, 1871
6.	Order of Her Majesty in Council admitting Prince Edward Island into the Union, dated the 26th day of June, 1873		Prince Edward Island Terms of Union
7.	Parliament of Canada Act, 1875, 38-39 Vict., c. 38 (U.K.)		Parliament of Canada Act, 1875
8.	Order of Her Majesty in Council admitting all British possessions and Territories in North America and islands adjacent thereto into the Union, dated the 31st day of July, 1880		Adjacent Territories Order

ANNEXE I

LOI CONSTITUTIONNELLE DE 1981

ACTUALISATION DE LA CONSTITUTION

	Colonne I Loi visée	Colonne II Modification	Colonne III Nouveau titre
1.	Acte de l'Amérique du Nord britannique, 1867, 30-31 Vict., c. 3 (R.-U.)	(1) L'article 1 est abrogé et remplacé par ce qui suit : «1. Titre abrégé : *Loi constitutionnelle de 1867*.» (2) L'article 20 est abrogé. (3) La catégorie 1 de l'article 91 est abrogée. (4) La catégorie 1 de l'article 92 est abrogée.	Loi constitutionnelle de 1867
2.	Acte pour amender et continuer l'acte trente-deux et trente-trois Victoria, chapitre trois, et pour établir et constituer le gouvernement de la province de Manitoba, 1870, 33 Vict., c. 3 (Canada)	(1) Le titre complet est abrogé et remplacé par ce qui suit : «*Loi de 1870 sur le Manitoba*.» (2) L'article 20 est abrogé.	Loi de 1870 sur le Manitoba
3.	Arrêté en conseil de Sa Majesté admettant la Terre de Rupert et le Territoire du Nord-Ouest, en date du 23 juin 1870		Décret en conseil sur la terre de Rupert et le territoire du Nord-Ouest
4.	Arrêté en conseil de Sa Majesté admettant la Colombie-Britannique, en date du 16 mai 1871		Conditions de l'adhésion de la Colombie-Britannique
5.	Acte de l'Amérique du Nord britannique, 1871, 34-35 Vict., c. 28 (R.-U.)	L'article 1 est abrogé et remplacé par ce qui suit : «1. Titre abrégé : *Loi constitutionnelle de 1871*.»	Loi constitutionnelle de 1871
6.	Arrêté en conseil de Sa Majesté admettant l'Île-du-Prince-Édouard, en date du 26 juin 1873		Conditions de l'adhésion de l'Île-du-Prince-Édouard
7.	Acte du Parlement du Canada, 1875, 38-39 Vict., c. 38 (R.-U.)		Loi de 1875 sur le Parlement du Canada
8.	Arrêté en conseil de Sa Majesté admettant dans l'Union tous les territoires et possessions britanniques dans l'Amérique du Nord, et les îles adjacentes à ces territoires et possessions, en date du 31 juillet 1880		Décret en conseil sur les territoires adjacents

SCHEDULE I

to the

CONSTITUTION ACT, 1981—*Continued*

Item	Column I Act Affected	Column II Amendment	Column III New Name
9.	British North America Act, 1886, 49-50 Vict., c. 35 (U.K.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Constitution Act, 1886*."	Constitution Act, 1886
10.	Canada (Ontario Boundary) Act, 1889, 52-53 Vict., c. 28 (U.K.)		Canada (Ontario Boundary) Act, 1889
11.	Canadian Speaker (Appointment of Deputy) Act, 1895, 2nd Sess., 59 Vict., c. 3 (U.K.)	The Act is repealed.	
12.	The Alberta Act, 1905, 4-5 Edw. VII, c. 3 (Can.)		Alberta Act
13.	The Saskatchewan Act, 1905, 4-5 Edw. VII, c. 42 (Can.)		Saskatchewan Act
14.	British North America Act, 1907, 7 Edw. VII, c. 11 (U.K.)	Section 2 is repealed and the following substituted therefor: "2. This Act may be cited as the *Constitution Act, 1907*."	Constitution Act, 1907
15.	British North America Act, 1915, 5-6 Geo. V, c. 45 (U.K.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Constitution Act, 1915*."	Constitution Act, 1915
16.	British North America Act, 1930, 20-21 Geo. V, c. 26 (U.K.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Constitution Act, 1930*."	Constitution Act, 1930
17.	Statute of Westminster, 1931, 22 Geo. V, c. 4 (U.K.)	In so far as they apply to Canada, (*a*) section 4 is repealed; and (*b*) subsection 7(1) is repealed.	Statute of Westminster, 1931
18.	British North America Act, 1940, 3-4 Geo. VI, c. 36 (U.K.)	Section 2 is repealed and the following substituted therefor: "2. This Act may be cited as the *Constitution Act, 1940*."	Constitution Act, 1940
19.	British North America Act, 1943, 6-7 Geo. VI, c. 30 (U.K.)	The Act is repealed.	

ANNEXE I (*suite*)

LOI CONSTITUTIONNELLE DE 1981

	Colonne I Loi visée	Colonne II Modification	Colonne III Nouveau titre
9.	Acte de l'Amérique du Nord britannique, 1886, 49-50 Vict., c. 35 (R.-U.)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi constitutionnelle de 1886.*»	Loi constitutionnelle de 1886
10.	Acte du Canada (limites d'Ontario) 1889, 52-53 Vict., c. 28 (R.-U.)		Loi de 1889 sur le Canada (frontières de l'Ontario)
11.	Acte concernant l'Orateur canadien (nomination d'un suppléant) 1895, 2e session, 59 Vict., c. 3 (R.-U.)	La loi est abrogée.	
12.	Acte de l'Alberta, 1905, 4-5 Ed. VII, c. 3 (Canada)		Loi sur l'Alberta
13.	Acte de la Saskatchewan, 1905, 4-5 Ed. VII, c. 42 (Canada)		Loi sur la Saskatchewan
14.	Acte de l'Amérique du Nord britannique, 1907, 7 Ed. VII, c. 11 (R.-U.)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé : *Loi constitutionnelle de 1907.*»	Loi constitutionnelle de 1907
15.	Acte de l'Amérique du Nord britannique, 1915, 5-6 Geo. V, c. 45 (R.-U.)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi constitutionnelle de 1915.*»	Loi constitutionnelle de 1915
16.	Acte de l'Amérique du Nord britannique, 1930, 20-21 Geo. V, c. 26 (R.-U.)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi constitutionnelle de 1930.*»	Loi constitutionnelle de 1930
17.	Statut de Westminster, 1931, 22 Geo. V, c. 4 (R.-U.)	Dans la mesure où ils s'appliquent au Canada : *a*) l'article 4 est abrogé; *b*) le paragraphe 7(1) est abrogé.	Statut de Westminster de 1931
18.	Acte de l'Amérique du Nord britannique, 1940, 3-4 Geo. VI, c. 36 (R.-U.)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé : *Loi constitutionnelle de 1940.*»	Loi constitutionnelle de 1940
19.	Acte de l'Amérique du Nord britannique, 1943, 6-7 Geo. VI, c. 30 (R.-U.)	La loi est abrogée.	

SCHEDULE I

to the

CONSTITUTION ACT, 1981—*Continued*

Item	Column I Act Affected	Column II Amendment	Column III New Name
20.	British North America Act, 1946, 9-10 Geo. VI, c. 63 (U.K.)	The Act is repealed.	
21.	British North America Act, 1949, 12-13 Geo. VI, c. 22 (U.K.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Newfoundland Act*."	Newfoundland Act
22.	British North America (No. 2) Act, 1949, 13 Geo. VI, c. 81 (U.K.)	The Act is repealed.	
23.	British North America Act, 1951, 14-15 Geo. VI, c. 32 (U.K.)	The Act is repealed.	
24.	British North America Act, 1952, 1 Eliz. II, c. 15 (Can.)	The Act is repealed.	
25.	British North America Act, 1960, 9 Eliz. II, c. 2 (U.K.)	Section 2 is repealed and the following substituted therefor: "2. This Act may be cited as the *Constitution Act, 1960*."	Constitution Act, 1960
26.	British North America Act, 1964, 12-13 Eliz. II, c. 73 (U.K.)	Section 2 is repealed and the following substituted therefor: "2. This Act may be cited as the *Constitution Act, 1964*."	Constitution Act, 1964
27.	British North America Act, 1965, 14 Eliz. II, c. 4, Part I (Can.)	Section 2 is repealed and the following substituted therefor: "2. This Part may be cited as the *Constitution Act, 1965*."	Constitution Act, 1965
28.	British North America Act, 1974, 23 Eliz. II, c. 13, Part I (Can.)	Section 3, as amended by 25-26 Eliz. II, c. 28, s. 38(1) (Can.), is repealed and the following substituted therefor: "3. This Part may be cited as the *Constitution Act, 1974*."	Constitution Act, 1974

ANNEXE I (*suite*)

LOI CONSTITUTIONNELLE DE 1981

	Colonne I Loi visée	Colonne II Modification	Colonne III Nouveau titre
20.	Acte de l'Amérique du Nord britannique, 1946, 9-10 Geo. VI, c. 63 (R.-U.)	La loi est abrogée.	
21.	Acte de l'Amérique du Nord britannique, 1949, 12-13 Geo. VI, c. 22 (R.-U.)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi sur Terre-Neuve.*»	Loi sur Terre-Neuve
22.	Acte de l'Amérique du Nord britannique (N° 2), 1949, 13 Geo. VI, c. 81 (R.-U.)	La loi est abrogée.	
23.	Acte de l'Amérique du Nord britannique, 1951, 14-15 Geo. VI, c. 32 (R.-U.)	La loi est abrogée.	
24.	Acte de l'Amérique du Nord britannique, 1952, 1 Eliz. II, c. 15 (Canada)	La loi est abrogée.	
25.	Acte de l'Amérique du Nord britannique, 1960, 9 Eliz. II, c. 2 (R.-U.)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé : *Loi constitutionnelle de 1960.*»	Loi constitutionnelle de 1960
26.	Acte de l'Amérique du Nord britannique, 1964, 12-13 Eliz. II, c. 73 (R.-U.)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé : *Loi constitutionnelle de 1964.*»	Loi constitutionnelle de 1964
27.	Acte de l'Amérique du Nord britannique, 1965, 14 Eliz. II, c. 4, Partie I (Canada)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé de la présente partie : *Loi constitutionnelle de 1965.*»	Loi constitutionnelle de 1965
28.	Acte de l'Amérique du Nord britannique, 1974, 23 Eliz. II, c. 13, Partie I (Canada)	L'article 3, modifié par le paragraphe 38(1) de la loi 25-26 Elizabeth II, c. 28 (Canada), est abrogé et remplacé par ce qui suit : «3. Titre abrégé de la présente partie : *Loi constitutionnelle de 1974.*»	Loi constitutionnelle de 1974

SCHEDULE I

to the

CONSTITUTION ACT, 1981—*Concluded*

Item	Column I Act Affected	Column II Amendment	Column III New Name
29.	British North America Act, 1975, 23-24 Eliz. II, c. 28, Part I (Can.)	Section 3, as amended by 25-26 Eliz. II, c. 28, s. 31 (Can.), is repealed and the following substituted therefor: "3. This Part may be cited as the *Constitution Act (No. 1), 1975*."	Constitution Act (No. 1), 1975
30.	British North America Act (No. 2), 1975, 23-24 Eliz. II, c. 53 (Can.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Constitution Act (No. 2), 1975*."	Constitution Act (No. 2), 1975

And on the motion of Mr. Nielsen, seconded by Mr. Baker (Nepean—Carleton), in amendment thereto,—That the proposed *Constitution Act 1981* be amended by striking out paragraphs (*e*) and (*f*) of subsection 42(1).

ANNEXE I (*fin*)

LOI CONSTITUTIONNELLE DE 1981

	Colonne I Loi visée	Colonne II Modification	Colonne III Nouveau titre
29.	Acte de l'Amérique du Nord britannique, 1975, 23-24 Eliz. II, c. 28, Partie I (Canada)	L'article 3, modifié par l'article 31 de la loi 25-26 Elizabeth II, c. 28 (Canada), est abrogé et remplacé par ce qui suit : «3. Titre abrégé de la présente partie : *Loi constitutionnelle nº 1 de 1975.*»	Loi constitutionnelle nº 1 de 1975
30.	Acte de l'Amérique du Nord britannique nº 2, 1975, 23-24 Eliz. II, c. 53 (Canada)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi constitutionnelle nº 2 de 1975.*»	Loi constitutionnelle nº 2 de 1975

Et sur l'amendement de M. Nielsen, appuyé par M. Baker (Nepean—Carleton),—Qu'on modifie le projet de *Loi constitutionnelle de 1981* en supprimant les alinéas *e*) et *f*) du paragraphe (1) de l'article 42.

Madam Speaker: Before resuming debate, may I point out to the House that because of the amendment to the resolution adopted yesterday, a renumbering of the sections was necessary. Therefore a technical change will have to be made to the amendment now before the House in the name of the hon. member for Yukon (Mr. Nielsen). The amendment should amend Section 42 instead of 41.

[*Translation*]

Mr. Maurice Dupras (Labelle): Madam Speaker, when the House adjourned last night, I was about to ask your permission to quote from a speech Henri Bourassa, the then member for Labelle, made in 1931 upon his return from a conference in London, in which he reported some comments by a member of the British House of Commons on the desire of Canadians to have their own Canadian constitution. Here is the account given by Henri Bourassa:

> To be perfectly frank, we are rather tired of all this talk about the independence of the dominions, and it is high time you people in Canada, Australia and elsewhere start to prove that you are really worthy of the concessions we are prepared to make. On the other hand, if you are afraid of some minor consequences this might have in your own provinces, you cannot expect us to have more respect for you than you have for yourselves.

That speaks for itself, Mr. Speaker. Henri Bourassa added in the same speech:

> Surely, the time will come when wisdom and self-respect in the Dominion or in the provinces will have reached a level where, with the concerted efforts of the federal Parliament and the provincial legislatures, we shall be able to formulate measures with a view to exercising the right to amend our own constitution.

And that is exactly what happened when the accord was signed by the vast majority of the provincial premiers.

[*English*]

It will surprise no one, I am sure, when I say that I favour the early passage of the resolution. I do so, not simply because I am a Liberal and a supporter of the government; I do so because I am a Canadian with pride in this land, the most generous country in the world, with the potential for global greatness.

Some members of this House have come to this country from other lands and know from personal experience the immense value of the liberty we enjoy. Others, like myself, were born here and have developed their love for, and pride in, Canada through experience in wartime and the opportunity to look at their native land from overseas.

In my own case, I was born and brought up in the area of Quebec that I represent today in this House, in an almost totally French-speaking region. I was 18 and joined the Royal Canadian Air Force before I could speak English. Like many young men and women of my generation I was impatient with our leaders. I found it incomprehensible that Canada had no flag of its own and that we had to wear uniforms that were not identifiably Canadian in any way. I found it curious, and deeply disturbing, that I could not even risk my life for my country in my own language. I had to learn another language.

In this respect I share some of the background and experience of the hon. member for Edmonton East (Mr. Yurko) for whom I hold a high regard. We are Canadians of the same generation, he from Alberta and I from Quebec. He served, as I did, with the RCAF overseas and we entered politics—he as a Conservative, I as a Liberal—at about the same time and for the same reasons. I therefore identify myself closely with the moving remarks he made in this House on March 10 last and I share with him the view that bringing our Constitution to Canada after 114 years of nationhood is, for many of us, the fulfilment of a dream to make this nation whole, to give it a distinctiveness, a true Canadianism that is wholly our own.

Like the hon. member I, too, regard myself as a Canadian before first being a partisan politician, and a citizen of this country rather than of one of its regions.

[*Translation*]

I want to ask my fellow Canadians to make a commitment to this country to stand up and be counted as proud Canadians. Mr. Speaker, unlike what has happened in Europe during the last 50 years, we have not often been called upon to fight and risk our lives for our country. And although more than a million of us joined up during World War II to stop Nazi tyranny, those Canadians who did not want to go, simply stayed behind.

In the 35 years since the war, we have been able to count our blessings in one of the richest and most generous countries on earth, without pausing to consider our responsibility in turn. What have we done to deserve what we enjoy in Canada today? What can we do for Canada in return? You know, Madam Speaker, it is often said, and accurately, that to see your own country best, you must look at it through the eyes of an outsider. Try to imagine how Canada looks today to people of South and Central America, of Africa and the Middle East, of the crowded lands of Asia and the regimented societies of Eastern Europe. They must regard us with a mixture of envy and wonder—wonder that we accept our affluence and freedom so casually, as though they were our God-given right. In our selfish self-contemplation, we have neglected our wider responsibilities on the global scene by failing to respond adequately to the needs of other less fortunate people.

The world is calling on Canada today to show its greatness and generosity, to give leadership at the international level,

and to share its good fortune with others. To meet those high expectations, we must first demonstrate our national unity and sense of purpose. This constitutional debate provides the opportunity to do just that. Since we started seriously discussing the question of having our own constitution, observers throughout the world have been wondering whether we have that quality of greatness we must have if we are to meet the constitutional challenge and the aspirations of all Canadians.

Mr. Speaker, the Right Hon. Prime Minister (Mr. Trudeau) recalled a few days ago in Vancouver that the major problem in Canada was perhaps that too many Canadians find this country too big for them. We now have the opportunity to show the entire world that we Canadians are worthy of Canada and able to meet the greatest challenges. We did so in the past when we had to build a railroad from one end of this vast continent to the other. The Canadians who came before us succeeded magnificently in this endeavour. Other projects which Canada alone has tried have succeeded, and the last challenge that remains, Mr. Speaker, is for us Canadians to have a truly Canadian constitution, and this is an urgent task. The Canadian people are becoming increasingly impatient with their legislators. The day before yesterday, the Right Hon. Prime Minister transmitted an invitation to the people of Vancouver which I now repeat to all my colleagues and to every Canadian. If we are worthy of Canada, let us face and meet this challenge.

• (1220)

[*English*]

Miss Pat Carney (Vancouver Centre): Mr. Speaker, we are debating an amendment which would remove an insulting and degrading inequity in the resolution before this House which seeks to provide us with a made-in-Canada constitution. That inequity is inherent in the provisions of the amending formula for the proposed Constitution which would allow the extension of existing provinces into the two northern territories without their consent. It is degrading because it would enshrine in the Constitution of our country the revolting concept of a perpetual colonial status for the north.

Some hon. Members: Hear, hear!

Miss Carney: It is insulting because it would entrench in the Constitution the repugnant idea that there could be two different classes of Canadians with different political rights, depending upon whether they live in Canada north or Canada south. These two offensive clauses represent the threat of a possible grab by some of the provinces for northern resources which more properly belong to northerners and to Canadians as a whole. If retained in our Constitution, they virtually eliminate any hope that the two northern territories could evolve as a province, as did the rest of the country, and as the hon. member for Yukon (Mr. Nielsen) has explained. Thus, this resolution, in its present form, is offensive, repugnant and also ludicrous.

The resolution suggests that one Prime Minister (Mr. Trudeau) and nine southern premiers could carve up the north in their so evident self-interest. It would create a Constitution drafted by southern Canadians which gives them rights denied to northern Canadians. I hope the premier of my province, Premier Bennett of British Columbia, can see the unfairness of this resolution.

Imagine the anger, the fury and the rage of those Canadians who live north of 60 who, by an act of this Parliament, would be condemned to perpetual serfdom and to perpetual colonial status unless these offensive clauses are withdrawn. I can relate to this anger because I experienced it while I was a resident of the Northwest Territories. I can relate to it because it is an anger similar to that felt in the west when the provisions of the original resolution laid before this House would have created different classes of provinces.

I can remember the rage British Columbians felt under the old resolution that British Columbia could be excluded from participating in any future constitutional change. I can remember the fury we felt about a resolution which placed the west under the shadow of submission to other regions of Canada, a shadow which this resolution casts over the 40 per cent of the country which represents our north. I cannot believe that hon. members of this House feel no shame in reserving for themselves and for provincial legislatures powers they are unwilling to grant the two legislative assemblies of the Yukon and Northwest Territories, either now or in the future.

Some hon. Members: Hear, hear!

Miss Carney: It is the hope of my party that this unfair situation does not reflect the spirit of this House of Commons. It is certainly the hope of the hon. member for Western Arctic (Mr. Nickerson) and the hon. member for Yukon that this House will ensure that their constituents have the rights which southern Canadians enjoy under a new Canadian Constitution.

The original resolution has now been amended to provide equal rights for women, partial rights for natives, and less rights for northerners. We now have the opportunity to correct this wrong. We can unanimously vote to drop these offensive clauses from the resolution. We are not simply talking about clauses; we are also talking about people. We are talking about the Pudluk family in Resolute, John and Vince Steen in Tuk, Terry Ryan at Cape Dorset, and the Amagoalik families in Frobisher Bay, Bill and Jessie Lyall and their four children at Cambridge Bay, and Ernie Lyall at Spence Bay. We are talking about Dick Hill, the first mayor of Inuvik, and his wife, Cynthia Hill, the current mayor of Inuvik. We are talking about Inuvik town councillors, Susan Husky and Alex Foreman, and the one-woman chamber of commerce at Teslin on the Alaska Highway, and Archie Lang, who operates the Watson Lake Hotel. We are talking about the chief at Old Crow, Charlie Able, whose wife told me about a tragedy in her family and said, "People don't think how I feel".

We are not thinking about how people feel in Coppermine, Fort Good Hope, Fort Franklin, Fort McPherson and Yellow-

knife. We are not thinking about how they feel if we permit this document to proceed in its existing form.

Some hon. Members: Hear, hear!

Miss Carney: We are talking about Canadians. If members of this House are prepared to declare that these Canadians are to be enshrined as second-class citizens under our Constitution, we should be ashamed of ourselves.

We must act now to restore to the north the rights that we have reserved for the south if the concept of Canada as a nation is to endure. We in the House have the power to do this. We know how this inequity could be corrected. Twenty-two members of the Legislative Assembly of the Northwest Territories, all fully elected, the majority of them native northerners, came to Ottawa to tell us to remove the clauses which are such an assault on their own legislative powers.

The Legislative Assembly of the Northwest Territories seeks a deletion of Section 41(1)(e) of the amending formula in the proposed constitution which provides for the extension of existing provinces into the territories. The Legislative Assembly sees this authority as an affront to its own legislative authority and an infringement of the democratic rights of the people of the Northwest Territories. Thus, the Legislative Assembly has requested that the power to alter boundaries be exercised as currently provided under the British North America Act of 1871. The Legislative Assembly also seeks the deletion of Section 41(1)(f) from the amending formula in the proposed Constitution, because this clause provides that, notwithstanding any other law or practice, the establishment of new provinces can only be achieved with the consent of Canada and at least two thirds of the provinces, the total population of which exceeds 50 per cent of the population of Canada.

The position of the Legislative Assembly is that the right to establish new provinces out of existing territories is vested in the federal Parliament by virtue of the British North America Act of 1871 and that this power should continue to reside in the Parliament of Canada. The Legislative Assembly of the Yukon has unanimously endorsed the principle set out by their colleagues in the Northwest Territories.

The 22 members of the Legislative Assembly from the Northwest Territories and their colleagues in Yukon understand very well that these clauses would encourage a grab for northern resources by the southern provinces. They understand very well that this is a real threat because it has happened in the past. Unless these clauses are removed, it could happen in the future.

Last month in the House I described how the Northwest Territories have been defined entirely by the needs of southern Canada. I outlined how the original Northwest Territories was once composed of the area which now represents Alberta, Saskatchewan, Manitoba, northern Ontario, northern Quebec and the present Yukon and Northwest Territories. I described how the Northwest Territories, as we know it, is the residual area left after the creation of the prairie provinces, and after Ontario, Manitoba and Quebec had extended their boundaries north. Therefore, one can understand the very real concern of our northern territories.

• (1230)

I suggest that if we sell out the north we will sell out our self-respect as Canadians. We should never be a party to a document which would permit the extension of the provinces into the Yukon or the Northwest Territories without territorial consent.

Some may argue that amending the resolution at this stage might threaten the spirit of the accord reached by the Prime Minister and the Premiers. We can only ask ourselves why the Prime Minister and the nine provincial premiers would feel that discriminatory measures that were so unacceptable to them would be acceptable to people in the north.

Some hon. Members: Hear, hear!

Miss Carney: If this resolution passes in its present form, it will lead to a psychological and emotional isolation of northerners in their own country. If this resolution passes in its present form, I would say to the MLAs who came here from the Yukon and the Northwest Territories and to my former colleagues George Braden, Nellie Cournoyea, Nick Sibbeston, Mr. Pudluk, Don Stewart, Arnold McCallum and all the others, that we have failed to protect the rights of our fellow Canadians in the north.

If we fail them, they would be justified in putting up the barriers on the Mackenzie highway keeping southern Canadians out. If we fail them, I would tell our northern colleagues to turn off the heat in the federal building in Inuvik, to turn off the lights in the federal offices and homes in Frobisher Bay and to send all federal employees from southern Canada back home. If we fail them, I would tell them to take over the airports at Resolute and Yellowknife and divert southern based traffic back there, sever the telecommunications link with the south and shut down satellite-delivered television. I say give the north back to northerners and put it beyond reach of the greedy grasp of the south.

If we pass a resolution which gives certain rights to some Canadians and denies them to others, then we will have destroyed the very foundation of this Parliament, this federal institution of a country which stretches from sea to sea to northern sea. If we pass this resolution unamended as an act of Parliament, it will be an act of contempt toward Canadians north of 60.

I urge members to right this wrong, remove this self-serving insult and ensure our self-respect as Canadians. I implore them to support our position that these degrading clauses must be removed.

Some hon. Members: Hear, hear!

Some hon. Members: Question.

The Acting Speaker (Mr. Blaker): May I ask whether the hon. member for Simcoe North (Mr. Lewis) is in his seat? In order for the Chair to recognize him, he should be.

Mr. Lewis: Yes, Mr. Speaker, I am.

The Acting Speaker (Mr. Blaker): I apologize to the hon. member.

Mr. Lewis: Mr. Speaker, may I inquire of the Chair as to the order of speakers to be recognized in this debate at this time? Can you tell me who is to be recognized next? Is it someone from the government side or are we to vote on the motion now?

The Acting Speaker (Mr. Blaker): I will try to assist the hon. member. A fiction has been maintained over the centuries that the Chair does not keep a list of speakers. I will recognize an hon. member who stands and wishes to contribute to the debate. If no hon. member stands, I will put the question to the House.

Some hon. Members: Question.

Mr. Doug Lewis (Simcoe North): Mr. Speaker, I have not yet spoken on this matter. I think there are some things that should be put on the record, especially when we are discussing the very important matter of whether or not the provinces are to be allowed to extend their boundaries north and take over the area that we know as the Northwest Territories.

I think we all realize that this is an area of the country that is in its developmental stages. We want to treat the northerners fairly and we want to protect their right to govern themselves. For that reason, I speak in favour of the amendment. It is not something which this House should countenance by putting forward the resolution as it now stands to give the potential to the House of Commons or the provinces to extend their territories northward by the simple drawing of a line. That would then take away from the northerners, the people about which my colleague, the hon. member for Vancouver Centre (Miss Carney), has spoken. They are the people who live in the north now and feel very strongly about their connections to Canada. These are the people in the north who want some day to have the right to attain provincial status. I think we are all agreed here that Canada is an emerging nation. Canada has been a nation for 114 years. We look forward to many, many more centuries as a nation. It would be wrong at this time for us to shut off prematurely any opportunity which the people in the Northwest Territories may have to form a province.

Ten provinces are involved in this exercise. Ten provinces felt very strongly about the amending formula. The provinces felt that the formula of regionalization of this country was wrong. We saw something very dramatic when the provincial premiers decided to take away that unfair amending formula in the original resolution, the unfair amending formula which gave a perpetual veto to Quebec and to Ontario, and I say that as a member from the province of Ontario. The perpetual veto given to Ontario was wrong.

For that reason, I think we should deal very carefully with this amendment. We should examine it closely and ask ourselves whether we want to be in a position to prevent the Yukon and the Northwest Territories from ever becoming provinces. I think it very important that we consider where we stand on this issue.

I want to touch on two other areas. As Canadians, what fair deal do we want for our children? Where are we going with respect to mineral rights? To speak about those issues more fully, I would like a little more time to prepare myself. Therefore, at this time I will relinquish the floor to another hon. member.

Mr. Allmand: Mr. Speaker, I rise on a point of order. May I ask a question of the hon. member for Simcoe North (Mr. Lewis)? We understood yesterday that the proposer of the amendment, the hon. member for the Yukon (Mr. Nielsen), had been consulting with provincial representatives to determine whether they would agree to his amendment. Someone from that side told me late yesterday that seven of the nine provinces involved in the accord were ready to go along with the amendment. Could the hon. member or one of his colleagues inform the House what the present status is of the consultations? In other words, how many provinces agree with the amendment?

Mr. Lewis: Mr. Speaker, in preparing my remarks to speak on this question, I did not have an opportunity to get involved in the many negotiations as to whether or not the provinces would agree to this amendment. I understand that the proposer of the amendment is now involved in a House leaders' meeting and it would not be fair or correct for me even to venture a suggestion at this time.

The Acting Speaker (Mr. Blaker): Has the hon. member for Simcoe North now completed his remarks?

Mr. Lewis: Yes, I have.

The Acting Speaker (Mr. Blaker): The hon. member for Edmonton—

Mr. Lewis: Mr. Speaker, I have a point of order.

The Acting Speaker (Mr. Blaker): Is the hon. member for Simcoe North rising on a point of order?

Mr. Lewis: Mr. Speaker, I am sorry that I did not tell you that I had completed my remarks. I have in fact completed them, and I believe another one of my colleagues is ready to speak.

The Acting Speaker (Mr. Blaker): The hon. member for Edmonton West (Mr. Lambert).

Mr. Collenette: Mr. Speaker, I rise on a point of order. I distinctly saw you recognize the hon. member for Edmonton East (Mr. Yurko). I find it somewhat strange that you recognized him and although a point of order intervened, you are now recognizing another member.

Mr. Paproski: Are you challenging the Chair?

The Acting Speaker (Mr. Blaker): I will try to ease any problems that may have been created. I do not understand the expression that the Chair was seen to recognize an hon. member.

Mr. Lewis: Are you challenging the Chair?

The Acting Speaker (Mr. Blaker): Order, please. If the hon. member for York East is indicating that he had heard the Chair recognize the hon. member, there might be a point. In point of fact I did not verbally recognize the hon. member for Edmonton East (Mr. Yurko) at all; I quite clearly recognized the hon. member for Edmonton West (Mr. Lambert), whom I recognize again.

● (1240)

Mr. Collenette: On a point of order, Mr. Speaker. Perhaps I used the wrong words, but before the point of order by the hon. member for Simcoe North (Mr. Lewis), the only member standing in this chamber to speak was the member for Edmonton East, who was shuffling his papers preparing to speak. You said the words "the hon. member for Edmonton—uh", and perhaps the word "East" was truncated. I just wonder whether or not you should be—

An hon. Member: He never said "Edmonton".

Some hon. Members: Oh, oh!

An hon. Member: He has rights too.

Mr. Collenette: Yes, the hon. member for Edmonton East should at least have his right to be recognized reserved.

Mr. Paproski: He can speak for himself.

Some hon. Members: Hear, hear!

The Acting Speaker (Mr. Blaker): Order, please. Perhaps the Chair can once again make a contribution to this matter. There really is not a point of order that I know of, but I will dispose of the matter very simply. It must have been perfectly evident to all members present that on several occasions in the last few minutes I have looked to my right in the expectation that there might be an hon. member there who wished to take part in the debate; and in the absence of an hon. member rising to my right I have looked to my left. The Chair is in no way involved in any conscious selection of one member as opposed to another, or in any plan to approve of the recognition of one member or another.

I recognize the hon. member for Edmonton West (Mr. Lambert).

Some hon. Members: Hear, hear!

The Acting Speaker (Mr. Blaker): In summarizing, and in answer to the hon. member for York East, I would state that "I call 'em as I see 'em".

Some hon. Members: Hear, hear!

Hon. Marcel Lambert (Edmonton West): Mr. Speaker—

Mr. Paproski: You pick your own member and we will pick ours.

Some hon. Members: Hear, hear!

An hon. Member: You look after your side and we will look after our side.

Some hon. Members: Hear, hear!

Mr. Lambert: Mr. Speaker, it is amazing to note the attention being paid by certain people who have not the slightest idea of what is happening or should be happening.

Some hon. Members: Hear, hear!

Mr. Lambert: It is simply a matter of their wanting to show that they are here, possibly mischief-making.

Some hon. Members: Oh, oh!

Mr. Lambert: In so far as this present debate is concerned, I would think the two members who have been participating would go and hide their heads in shame. As I recall, just a little over a year ago when the hon. member for York East (Mr. Collenette) was trying to be the busybody as Parliamentary Secretary to the President of the Privy Council, he was the man who was hustling us as well as his minister to get this resolution through the House. According to him, this was the best possible resolution. The Minister of Justice (Mr. Chrétien) was there, I suppose, as the spokesman for his superior, the Prime Minister (Mr. Trudeau), and they were imposing their original resolution and their will. Apparently they had been anointed by God, or touched by that wand of wisdom that had touched Moses. The resolution as it then stood was the best possible resolution to be given to man by their fellow man.

We have seen what has happened. I do not want to dwell upon this because the record will show a sorry, sad performance of backing, filling and trading of rights which has been declared to be sacrosanct, but when the chips were down the participants became as cynical in their haggling and trading of rights as a rug merchant in a bazaar.

Some hon. Members: Hear, hear!

Mr. Lambert: What have we been doing? We have been considering amendments that are almost precisely the same as what was contained in Sections 28 and 34 of the original resolution—part and parcel in the beginning. Those rights were included at the time of public hearings. The Minister of Justice then had the gall subsequently to say "we gave you". How grandiloquent of them; how generous of them!

An hon. Member: Right on.

Mr. Lambert: The parliamentary secretary says "right". He has not, nor has any minister of this government, an ounce of power or right to grant a right to a fellow citizen. The citizen has his or her rights, and it is not for the state or a representative of the state to grant those rights. That is the difference

between the philosophy of this government and ours. The Liberals are "states rightists".

[*Translation*]

They are states rightists, obsessed with the theory that the individual exists for the benefit of the state.

[*English*]

We can expect that from the socialists because that is their morning porridge, and of course the two have been getting together. The socialist leader has been clasping the original resolution and charter to his bosom and saying "me too, me too!" That is what he said at the beginning, indicating clearly the philosophy that the state gives the individual his or her rights.

A constitution is that body of law given by the constituent peoples to the state for their governance, not some sort of body of law devised by a man or those in power granting rights to individuals.

Some hon. Members: Hear, hear!

Mr. Lambert: That is what has been happening, and what has happened since October 1980 has shown the corrupt thinking of the whole process. We have reached this point, lurching this way and that way, where members of this House and colleagues from the Senate have heard from the people who appeared before the joint committee. The people were not supposed to be heard from, not at all. That was the doctrine of the NDP to start with. In the original instance they supported the timetable through the mouth of their leader who did everything but genuflect before the Prime Minister in his self-serving subservience to achieve, I do not know what.

This resolution and charter, which is not recognizable as the resolution in its original form, was supposed to be over in Britain by the first of July. Look at all the imperfections. I am glad the NDP did finally wake up and did put forward proposed changes, with a good deal of ability. Their chief representative was so sickened by the process that he broke from them and resigned from his position. During that time we did witness, through statements from the mouth of the Minister of Justice or the representative of the government in the Senate, the grudging granting or the inscribing into the charter the expression of a further right, here and there.

● (1250)

That was not a good performance on the part of Canadian legislators. There was a question of whether it was legal for the Government of Canada unilaterally to push through whatever they wanted, to turn black into white just because they said so. Our party said no, Canadians said no and the courts said no. I believe that the British Parliament would have given a resounding no. But that does not have to happen now.

Mr. Peterson: Vote against the charter if you do not like it.

Mr. Lambert: The hon. member for Willowdale (Mr. Peterson) has always got a cheap contribution to make from his seat. I have not talked of the charter as it now stands. The charter now expresses certain rights. Because there was a compromise, it does not meet everybody's satisfaction. I believe people are entitled to say whether the charter expresses their rights properly. There are hundreds of thousands of Canadians who have not been heard from. Few of their provincial legislatures ever held a debate or proposed a resolution in support of their premier for the views he put forward during the negotiations. Some legislatures, to their credit, were exceptions to that. During the last several weeks there seems to have been some sort of grand poker game going on, wheeling and dealing between ten people.

An hon. Member: That is your process.

Mr. Lambert: Again, this was what the hon. members on the socialist side of the House had been quite prepared to accept beforehand. We must remember that they protested very loudly once they saw the light, but their leader committed their party to a quick passage of the original resolution in which there were no aboriginal rights, no equality of the sexes, hardly any rights for the handicapped, and all the way down the line. The NDP was ready to go, *grosso mode* right out.

An hon. Member: Not true.

Mr. Lambert: With regard to the present amendment, it is again manifestation of that centralist thinking bureaucracy. It appears to the public eye as though the Minister of Justice and the Prime Minister are granting rights in a colonial way, as my friend, the hon. member for Vancouver Centre (Miss Carney) so ably pointed out a moment ago.

I visited the Northwest Territories in 1940 and the Yukon in 1957 and have done so certainly many times since. The feeling of those people and their resentment, which was so ably described by my colleague, is similar to the feeling felt in Alberta and Saskatchewan against the bureaucratic, centralist thinking in Ottawa, represented by ministers from central Canada. The bureaucrats and the members from central Canada cannot see that there is this violent objection to this patronizing colonialism which permeates government policy. It is a clear example of how the people of the Northwest Territories and the Yukon can have their territories emasculated without their consent. We saw it in Bill C-48, the oil and gas legislation.

An hon. Member: What about it?

Mr. Lambert: The parliamentary secretary says, "What about it?" I will tell him that Bill C-48 permits an outright plunder of the resources of the Northwest Territories and the Yukon before they are turned over to the people to whom they rightfully should be given in due course.

Some hon. Members: Hear, hear!

Mr. Lambert: I have been told by Liberal members in all seriousness—

The Acting Speaker (Mr. Blaker): Order, please.

[*Translation*]

Mr. Laniel: Mr. Speaker, I rise on a point of order. Would the hon. member for Edmonton West (Mr. Lambert) allow a question?

Mr. Lambert: At the end of my speech, Mr. Speaker, I would simply like to continue my comments.

[*English*]

Those resources which should rightfully belong to the people of the Northwest Territories today and in the future should not be stripped and spoiled by a money-hungry central government which would attach if it could as many milk bags on one cow and hook on to every teat in order to get all the possible milk it can. If the government could put pipelines into the Northwest Territories and the Yukon, they would do it. Those Liberals have told me that under a Liberal government those territories will never achieve provincial statehood. That is the view today. Those Liberal members may be speaking for the government and it is a philosophy that they portray and, naturally, they come from central Canada.

Mr. Laniel: The people of Canada voted for it.

Mr. Lambert: I suggest that there is nothing more tyrannical where people's rights are concerned than when there is a temporary majority.

We have seen a great deal happen here in the past year, generally to the credit of the system, notwithstanding the efforts of individuals who were representing the federal government and some of the provinces who wanted to rush along with this resolution. Canada would have been much poorer if we had not taken the time to make the amendments in the joint committee, at the Premiers' conferences and through bargaining with the federal government in this chamber. I hope that we will be able to make more amendments in uniquely federal jurisdictions where the consent of the premiers is not required, because this is the way Parliament should function.

This House and the Senate should not be rubber stamps to federal-provincial first ministers' conferences. That is growing into a convention in this country. I hope that we will see an end to it so that this chamber will be responsible for itself and arrive at decisions with a government that is responsible to it.

The parliamentary secretary wanted to ask a question. Perhaps we can get it in now.

The Acting Speaker (Mr. Blaker): No, we cannot. It being one o'clock I do leave the chair until 2 p.m.

At 1.02 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

The Acting Speaker (Mr. Blaker): Order, please. When the House rose at one o'clock, the hon. member for Edmonton West (Mr. Lambert) had the floor, and I think he had completed his remarks.

Mr. Lambert: No.

The Acting Speaker (Mr. Blaker): In that case I will recognize the hon. member for Edmonton West for approximately two minutes.

Mr. Lambert: No, Mr. Speaker, never shall it be said that I have completed my remarks! However, in closing I wish to reiterate all the sentiments which were contained in that most tremendous speech last night by my colleague, the hon. member for Nepean-Carleton (Mr. Baker). I commend it to all members of the House and to whomever is within hearing range of my voice, because I think it represents a true sentiment.

In dealing with this question this House should be inspired by confidence in the new beginning, and there is even a glimmer of light—there may be a number of glimmers—for holding within the framework of Canada the province of Quebec. I am satisfied that the people of Quebec are within the whole federation. The people are, yes; but the government, no, because it had its principle of independence to begin with.

I want to pay particular tribute to all those who participated in getting the Constitution this far. There are some parts of the Charter of Rights and Freedoms I do not like. I do not like turning my life over to the courts and to interpretation by the courts. That is alien to our form of government and our social consciousness. That is something that is American.

Mr. Smith: Vote against the charter then.

Mr. Lambert: There is the other spirit now. The Parliamentary Secretary to the President of the Privy Council (Mr. Smith) says that if we do not agree with him 100 per cent and if we disagree with the Prime Minister even by 5 per cent or 10 per cent, we should vote against the charter. That is our alternative, but that is nonsense. That is the most foolish philosophy which could ever be adopted by any government in this country.

I trust that with some more amendments which the House will support and the amendments that are before it presently—and there may be one or two others which I would commend to the attention of the House—we could then accept this resolution and see it on its way, so that ultimately in due course we will have a made-in-Canada or resident-in-Canada Constitution. We have done pretty well for 114 years. Another few days, weeks or months will not make any difference.

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, in the radiant glow of constitutional euphoria in which the Liberal government is at present basking because of the apparent success of the constitutional resolution and process so far, the comments I am about to make are not likely to be well received—about as welcome, I suggest, as a storm cloud about

to obliterate the sun and drench the sun bathers in a lashing gale and hailstorm.

For openers, however, I wish to pay tribute briefly to the Progressive Conservative Party and our leader for the outstanding work we managed to accomplish since October 2, 1980 when the original resolution was revealed to the Canadian public. Time will not permit me to list all these accomplishments. I propose to summarize them, nonetheless, and to say that had it not been for the perspicacity and foresight of the Right Hon. Leader of the Opposition (Mr. Clark) and for the determined and unified opposition against that earlier proposal, ably led in this House and in committee by the hon. member for Provencher (Mr. Epp), Canada would by now be strait-jacketed into a completely unworkable Constitution—if the British Parliament could have been persuaded to approve it in that earlier form, that is, having gone through the first intended process, namely, unilateral imposition through arbitrary decision.

Our leader and our party can take a great deal of credit for the following: first, alerting the Canadian people through insisting on open television coverage, of what exactly what was taking place in the committee; second, the appearance of expert witnesses; third, the inclusion of amendments which were at first refused; fourth, the extension of time which was at first circumscribed; fifth, the reference to the Supreme Court; and sixth, the meeting of the first ministers. That is not a bad record. It is one of which we can be proud.

However, as already indicated, we still have a defective document which will not accomplish what this government claims it will; that is, it will not provide Canada with a purely Canadian Constitution. To that matter I shall return, as I will to some other defects, shortcomings and false expectations, not to mention the illusory benefits which the government's advocacy advertising has either promoted or glossed over and made a number of Canadians believe.

I am having difficulty with the Charter of Rights and Freedoms. It is riddled with defects. There are drafting defects as well as shortcomings. The charter gives rise, furthermore, to false expectations. It is a document which was hastily thrown together. What we are witnessing is amendment even as we debate.

However, one of my arguments is, given the nature of the three main elements this document contains—namely, a patriation formula in Schedule A, Section 1, an amending formula in Schedule B, Part IV, and a Charter of Rights and Freedoms in Schedule B, Part I—and given that the amending formula is so drastically changed and improved over the rigid one included in the original proposal, I am wondering now if we could not proceed with the patriation formula and the amending formula as a package for the British Parliament to approve and leave the charter, as it should be, a document which will be fashioned and approved in Canada in accordance with the approved Canadian amending formula. Why not? That is my first suggestion.

Mr. Waddell: What do you think we have been doing for the last year?

Mr. Munro (Esquimalt-Saanich): Let us go about this properly and in a Canadian way now that at last we have found a formula that can be accepted by "a substantial majority," as we were directed to do by the Supreme Court. Even the decision as to whether or not we really require a Charter of Rights and Freedoms—and I am not sure that is so—ought to be dealt with through the amending formula.

• (1410)

One of the reasons I make the suggestion is that, however you look at it, Schedule B of the resolution, once approved in Westminster, will be and will remain a British statute. Canada's Charter of Rights and Freedoms will be a British statute—it cannot be anything else—just as is the BNA Act. It is drafted in Canada, but the British Parliament is asked to approve it. There is no way out of that impasse. If one were to insist that the Charter be submitted to Westminster for approval, it will emerge from that Parliament as a British statute. That is not what I consider patriation.

I shall cite one example, Mr. Speaker. Do we know what we are doing when we in the Canadian Parliament, presumably supreme within our own domain, ask the British Parliament, I repeat the British Parliament, to provide in a British statute that this Parliament shall sit and each legislature of this country shall sit at least once every twelve months? We ask the British Parliament to tell us when to sit. Is that not something we should do in Canada?

Personally, I resent the very suggestion that now, with all the talk of being *maîtres chez nous*, masters in our own house, we should be bound by a British statute as to how, and how often, we conduct Canada's business. Should we ask the British Parliament to legislate in respect to provincial equalization and regional disparities, as Part II, of Schedule B suggests they are being asked to do? Have we no pride? Are we unable to stand on our own feet? Is the British Parliament being asked to do these things? I suggest it is, Mr. Speaker, and they are things we should be doing ourselves. Also on the matter of whether or not we should hold constitutional conferences, which is in Part III? We must all be out for lunch, and not at Mr. MacEachen's lunch either. In this respect as in so many others, this Charter of Rights and Freedoms and the promises made to the Canadian people about it are an utter sham.

It comes down to this: charters as such have me worried. I do not believe that freedoms, liberties and rights are advanced, much less guaranteed, merely by itemizing them. Most freedoms, most liberties and many rights, I contend, are inherent in us as human beings. They are ours from birth and remain ours unless we are deprived of them.

An hon. Member: By governments.

Mr. Munro (Esquimalt-Saanich): It is not within the power of the state to grant them or to confer them because the state

has no such storehouse of rights on which to draw, not a single one.

Mr. Smith: Then vote against it.

Mr. Munro (Esquimalt-Saanich): However, the state, having sovereign power, can deprive us of our freedoms, our liberties and our rights and in doing so become tyrannical. That is the problem.

When we put these two notions together, Mr. Speaker, it is difficult to avoid the conclusion that rights can only be real and have lasting meaning when we consider them as limitations on the sovereign power of the state to protect individuals from the unfettered exercise of the power of the state. Or perhaps more simply put, as protection against unwarranted invasion by the state.

Blackstone, that great eighteenth century legalist, put it in this way: ". . . the principal aim of society is to protect individuals in the enjoyment of those absolute rights which were vested in them by the immutable laws of nature".

More contemporary expressions of that same attitude are to be found in the writings of Mr. E. A. Driedger, Q.C., a former deputy minister of justice of Canada, whom I have paraphrased somewhat in the foregoing.

The Charter of Rights and Freedoms before us in this House, Mr. Speaker, is not drafted from this perspective. This Charter of Rights and Freedoms offends that approach to rights in that it reverses the relative place in the order of things as between man and the state. Blackstone and Driedger—and, if I may be so bold as to place myself in that company, I too—place the individual first and the state second. This charter has put things the other way. It was put together by people who believe in the supremacy of the state over the individual. Had it been otherwise, instead of saying what they do in Section 2, that "Everyone has the . . . fundamental freedoms . . .", and then it proceeds to list them, it would have been drafted in this way: "No act of Parliament, or of a legislature, as the case may be, shall derogate from the following fundamental rights and freedoms of individuals, unless the case is made that to do so is in the general or public interest". That is a hasty redraft of that Section 2. That puts the priorities in their proper place.

My proviso is a concession that is necessary to recognize that freedoms, liberties and rights are not unlimited—and I have never said they were—but must be subject to societal demands.

The Chair might think I have made more of a case than I needed to to demonstrate a different approach to rights. I consider the difference fundamental. I fear the results of subscribing thoughtlessly to provisions drafted by those whose ideas, concepts and driving forces differ so radically and fundamentally from that concept that rights belong to the individual and should be protected from invasion by the state.

I have other concerns with the substance of the Charter of Rights and Freedoms that is before us, Mr. Speaker. Some relate to the wording but most relate to the risk that we are running in handing over to the courts the task of interpreting this document and, in consequence, of making the laws that Parliament should be making. In our tradition, Parliaments are our legislators. In this particular document we are about to hand over a large portion of that legislative responsibility to our courts. That worries me, Mr. Speaker, as it should worry not only parliamentarians but all Canadians.

Judicial interpretations of entrenched items in this charter will be, if I understand matters correctly, alterable only through the application of the amending formula. That will not be easy. The Charter of Rights and Freedoms will hand over to the courts much that was once within the power of Parliament to consider. This I consider regressive, Mr. Speaker.

I have spoken about what the British Parliament is being asked to do, and I consider it improper that it be asked to tell this Parliament when it should meet. On the other hand, Part IV, the amending formula, is properly a matter on which the British Parliament can decide, along with the passing of Section 2 of Schedule A by which the British Parliament formally and finally renounces any power it has to pass laws having effect in Canada. In other words, to remove itself from that role that it has played in the past. This is the essence of patriation with an amending formula.

I can see no other way of making Canada's Constitution a truly Canadian document, patriated, along with an amending formula that has a substantial measure of support, as the Supreme Court of Canada ruled was desirable; all the rest is for Canada to decide—by the Canadian Parliament and Canadian legislatures.

If we were to proceed in any other way we will still be governed by a statute—as I previously said, and it needs underlining because some people cannot see this—which is not fully and properly of Canadian make and has the full force of Canadian law behind it.

● (1420)

If I may be permitted a further comment, I should like to draw the attention of the House to a rather slipshod bit of drafting in the bill; it is one of its defects. Despite the fact that the clause in question has been before us for approximately 14 months, this defect has remained unchanged. I refer to Section 3 which provides that every citizen of Canada has the right to vote. I have a neighbour with two children, one eight years of age and the other six years of age. Both these children were born in Canada and are Canadian citizens under the Citizenship Act. The Canada Elections Act may well indicate that in order to vote, Canadians must have attained that age of 18 years by election day.

However, I submit that under Section 15 of the charter, legislation which discriminates on the basis of age could be contested. I consider this somewhat farcical. While the intent of the right to vote is clear, the method of expressing it is distinctly faulty and makes a laughing stock of the particular clause. I do not think the Constitution should be the laughing stock of the people who are supposed to accept it. If faulty

drafting can be identified here in such an obvious context, how many other perhaps even more serious flaws may lie undetected in the 57-odd sections of the bill? I am not a lawyer; I just happened upon this particular defect. The hon. member for Yukon (Mr. Nielsen) detected two defects concerning the extension of the provinces into the territories.

I have serious misgivings about charters and codes of right. They stem from my intellectual upbringing, relying on precedent, practice, convention and common law to determine the four corners at any given time within which I may exercise the rights I believe I possess.

Mr. Chénier: Oh, oh!

Mr. Munro (Esquimalt-Saanich): I cannot understand why the hon. member is giggling. The hon. member for Surrey-White Rock-North Delta (Mr. Friesen) intervened on the original resolution. He expressed much the same thoughts, particularly as they referred to the inherent nature of our rights. I commend his speech to all within hearing distance of my voice. It can be found on page 7497 of the February 19 edition of *Hansard*.

As I have already said, it will be impossible to escape from the strait-jacket of entrenchment without recourse to the amending formula. This is a frightening concept. Perhaps I am repeating myself, but I think it is worth doing so. By my understanding of this term and its application, judicial interpretations are just as entrenched as the sections that are being interpreted. This gives judges the role of legislators which they were never intended to be.

I notice Mr. Speaker is becoming somewhat jittery; perhaps he is suggesting that I should sit down soon. I should like to refer to Section 24(2) which deals with the enforcement provisions. It rules out evidence in a proceeding for remedy against an infringement of an entrenched right or freedom, if it is established that "having regard to all the circumstances", which is a phrase that is surely open to judicial interpretation and appealable beyond the court where such a ruling was given, the admission of that evidence would "bring the administration of justice into disrepute". Again this is an open-ended phrase. What do those words mean? What will the judges say about them?

In the few minutes remaining I should like to examine the preamble because I think it is defective as well. There are three whereas clauses. Between the second and the third there is need for amendment. It overlooks the fact that there was an agreement in conformity with the ruling of the Supreme Court of Canada. I suggest that the following two additions be made:

And whereas it is constitutionally required that this resolution have a substantial measure of provincial consent.

An hon. Member: Are these amendments?

Mr. Munro (Esquimalt-Saanich): I am suggesting that there are defects. I am not proposing amendments, but I think the entire document is a sham. The second addition would read:

And whereas provincial consent to this resolution has been signified by the governments of the provinces of—

And the provinces ought to be listed. It would fulfil the requirement of the Supreme Court of Canada. We cannot rely on the British Parliament or on Her Majesty the Queen to follow our newspapers. It should be part of the document which is going to them. It should indicate that substantial consent is required and has been obtained.

Some hon. Members: Hear, hear!

Mr. Ian Waddell (Vancouver-Kingsway): Mr. Speaker, indeed this is a surprise. I followed closely the remarks of the hon. member for Esquimalt-Saanich (Mr. Munro), but I could not quite understand whether he finds the Constitution so fatally flawed that he will vote against it. I almost gathered this from his speech.

I should like to say something generally about the Constitution and something precisely about the particular amendment of the hon. member for Yukon (Mr. Nielsen). A constitution is more than a mechanical set of ground rules: it is a mirror reflecting the national soul. I agree with the last speaker that we must take time to make this the best document possible.

We in the New Democratic Party have consistently argued for three historic goals: patriation of the British North America Act, 1867, hitherto Canada's main constitutional document; an amending formula which would do justice to the regional diversity of Canada; and a charter of fundamental freedoms and rights. Today I had the opportunity to speak with the Minister of Transport (Mr. Pepin). On the basis of my experience as a westerner and partly as a northerner, and his experience from travelling around the country with the inquiry into the Constitution for years, we both agree that Canada is a difficult and regional country. But this is part of the greatness of the country. We wanted to see an amending formula which would do justice to the regional diversity that is Canada.

This is not new for us. It is consistent with the history of our movement, the movement of the CCF and the NDP. For example, in 1927 J. S. Woodsworth introduced a motion to patriate the Constitution. The same motion prompted the calling of the first constitutional conference which really began the entire process we now see culminating.

The New Democratic Party and its predecessor, the CCF, have a record in civil liberties unsurpassed by any political party. One need only mention our fight for the vote for Chinese Canadians, against the shabby treatment of the Japanese Canadians, as well as our opposition to the War Measures Act. On a provincial level, T. C. Douglas introduced Canada's first bill of rights in Saskatchewan in 1947. We have consistently fought against Canada's political colonialism to the United Kingdom. Today, every day in the House and in every committee, we fight against Canada's present economic colonialism to the United States. It is a consistent history. One would expect that we would welcome, support and advocate the government's thrust toward a new constitution.

I should like to put one matter to rest. The Constitution was made in Canada. It was made by 900 individuals who

appeared before the committee, the presentation of 300 briefs and the work of approximately a hundred members. I should like to pay tribute in my speech today to the excellent work of the hon. Minister of State (Mr. Joyal), as able co-chairman of the committee, as well as that of the hon. member for Burnaby (Mr. Robinson) and the hon. member for Yorkton-Melville (Mr. Nystrom) as members of the committee.

● (1430)

This Constitution was made in Canada and at every stage of the process Canadians wanted to make it a better and more contemporary constitution. That was always the resolve.

Some doubts were raised in the country about the legality of the process, so it was proper that the finished package be referred to the Supreme Court of Canada. When the Supreme Court ruled that it was legal but not constitutional in the conventional sense, it was proper for this party to hold out for another first ministers' conference. That is history, Mr. Speaker. We had that first ministers' conference and in the end we had a document.

That document contains some improvements. For example, the Senate veto was deleted and that is an improvement. But it also had some fundamental flaws, Mr. Speaker. There were four—and perhaps a fifth one is this amendment dealing with the north.

The first fundamental flaw was the removal of the principle of equality between men and women. That was restored, however. The second flaw was that it removed an explicit and positive affirmation about native rights. That was restored, but only partly, because the word "existing" was added to Section 34. I want to speak further about that in a few minutes, Mr. Speaker. That amendment was very symbolic for the native people and it is something upon which we can build. The third flaw is that the accord does not include Quebec.

The fourth flaw is that the charter has been somewhat emasculated. The principal concession that the premiers won from the federal government in the November 5 accord was the provincial override on fundamental freedom, legal rights and equality rights in the charter.

The purpose of an entrenched charter is to give the courts, in an open and direct manner, the authority they need to protect our basic freedoms if legislative and government restraint should fail. If legislatures are given the power to cancel that judicial authority, as they now have been, they are most likely to use it when there is a failure of restraint. Canadian history shows that it has been, by and large, the provincial legislatures and their creatures, the municipalities, that have most often violated fundamental rights.

I am a lawyer, Mr. Speaker, and I have appeared in every level of court in Canada on civil liberties cases and I have seen this pattern emerge very clearly. It is in our history, from Mr. Roncarelli's liquor licence to the Alberta press laws, most recently to the anti-parade by-laws in some of our cities which affect freedom of assembly. It is a sorry picture.

There have been violations of civil liberties in this country and if the legislatures are given an override, they may use it some time when restraint is called for.

A great lady who once represented my riding of Vancouver-Kingsway in this House, Grace MacInnis, told me that her husband, Angus MacInnis, stood up against a tidal wave of public opinion when it was proposed to confiscate the homes and property of Japanese Canadians and move the people away from the west coast during the war. I am afraid that could happen again and that is why I think it is unfortunate that we do not have an entrenched charter. We will have to live with that, however. We expected that some concession would be made to the premiers and this is it. I just want to express my disappointment about that, Mr. Speaker.

This is not the kind of charter that we, as socialists, believe in, Mr. Speaker. We believe that the hungry must be fed; the ailing must be helped; the old must be looked after and the young must be allowed to go as far as possible in school. These ideals are almost universally accepted. They belong in a twentieth century constitution but what we have here is a nineteenth century charter.

Socialists are concerned with the growth of the human spirit. This charter talks of freedom but we know that no one is really free if unemployed, if poor or if unable to send his or her children as far as possible in school.

Last weekend 100,000 people demonstrated on Parliament Hill. I think they were demonstrating for economic freedom in the interests of working people, students and pensioners.

[*Translation*]

Mr. Speaker, if it is true, as it has often been said, that the Prime Minister and his liberal caucus are the most legitimate representatives of Quebec and that we can ignore the designs of the Quebec premier, Mr. René Lévesque, I ask myself a few questions. Why do the same principles and reasoning not apply to the other provinces? Have the aspirations of the premiers of anglophone provinces been brushed aside when they were inconsistent with those of the federal members from those provinces? Surely not Mr. Speaker. The Parti québécois may fail to reach its goal of Quebec independence but it will remain a political power in Quebec for several years to come. This is why it must be taken seriously, this is why we cannot allow ourselves to ignore the legitimate aspirations of Quebec merely because the Parti québécois is in power.

As federal Members of Parliament, it is our duty to be prudent. What should we do? I think that the federal Parliament should do its utmost to respect the traditional position of Quebec in constitutional matters. In April, 1981, Quebec agreed to a patriation project with seven other provinces. I think that this constitutional resolution should contain the basic principles of the agreement reached among those eight provinces. How could Mr. Lévesque reasonably object to such a resolution? To maintain the principle of two majorities in Canada, I would even be willing to consider the right for Quebec and for Quebec only to opt out of federal programs

coming under its own jurisdiction and to receive a fair financial compensation.

[*English*]

We cannot say that the federal Liberals necessarily represent Quebec. It is not said of me that I represent the provincial interests of British Columbia; I represent national interests. If we are to take provincial interests into consideration, then we must carefully consider the government of Quebec. The Parti Québécois will not just go away. I suggest that in this regard we should examine the April accords and try to implement them. I have gone so far as to say that we may have to consider giving Quebec, but only Quebec, the right to opt out of programs with financial compensation.

The reason that I will vote for this package is that it embodies, not in a perfect way but in a general way, the picture that I have of Canada. I see Canada as two founding societies, the English and the French, built on the foundation of the aboriginal people. That is why we fought so hard to get Section 34 included.

• (1440)

Some hon. Members: Hear, hear!

Mr. Waddell: That is what Canada is about. We have the native people included, and they can continue their fight; and we also have the French and the English. We recognize that it is important not to educate a bunch of old bureaucrats in the French language, but that we go to the kids, to the schools and to educational rights. That is where we should be going. Then we have added on the multicultural provision. The hon. member for Calgary East (Mr. Kushner), from the Conservative Party, spoke eloquently about how he came as an immigrant, as I did. We add that aspect and that is Canada, is it not? We put that foundation in place.

Before I conclude, I want to say a couple of things about this particular amendment. In the Rupert's Land Act of 1867, Parliament was clearly given jurisdiction over the Northwest Territories. Now, in light of that act, it is clear that the inclusion of Section 41(1)(e) and (f) is a violation of trust and an abdication of the federal government's responsibilities to the territories. By taking the power for themselves, the provinces have made an incursion into federal jurisdiction. Besides, when did we ever agree to grant provinces extraterritorial jurisdiction? That is what we are doing here. Why should the provinces of Canada be able to expand into the north? Why should they have a veto as to what happens in the northern territories?

I lived in Yellowknife for two years, I am a member of the bar of the Northwest Territories and I had an opportunity to travel throughout the north.

An hon. Member: Canadian bar?

Mr. Waddell: Not some of the bars which my hon. friends think of, there are legal bars there as well!

Mr. Baker (Nepean-Carleton): Is there an illegal bar?

Mr. Waddell: In the north we have a unique opportunity to create different kinds of provinces. The Yukon has its own culture. I would like to see the Yukon as a province. I would like to see the Dene area of the Mackenzie Valley a province some day. I would like to see an Eskimo province in this country. Just think what that would mean to the world! Just think what it would mean to have Nunavut a province. I might say that I see the hon. member for Nunatsiaq (Mr. Ittinuar) in front of me. In my chance to speak concerning the constitutional resolution, I want to pay sincere tribute to the hon. member. Sometimes he and I do not agree on everything, but I want to pay tribute to the hon. member because he has consistently fought for his constituency, his people, against long odds and he has been very successful.

Some hon. Members: Hear, hear!

Mr. Waddell: In his speech on this very topic the other night, he continued to fight against these proposals in Section 41 of the Constitution. People wonder, what are the interests of most Canadians in the north? Most people live in the south or on the American border. They stretch five thousand miles across the country. They do not really live in the north. Yet even though most Canadians have not been to the north, they feel that they are northerners. We are a northern land, a northern country.

An hon. Member: The true north, strong and free.

Mr. Waddell: That is part of the Canadian culture. That is why there is always consistent public support in protecting the people of the north from the encroaching development which prevents them from getting a fair break. I ask the government to consider that when it votes on this particular amendment.

I notice my time is drawing to a close, but I want to back up what I said with the fact that Canadian culture and Canadian literature has always referred to us as northern people. We should not allow the possibility of expanding our existing provinces into the north; rather, we should work to create new provinces of the north-

Some hon. Members: Hear, hear!

Mr. Waddell: —just as we will work to create new ideas of aboriginal claims and rights in the north and other parts of the country.

I want to end by a quote from my favourite poet, F. R. Scott. In a poem entitled "Laurentian Shield", he wrote the following:

Hidden in wonder and snow or sudden with summer
This land stares at the sun in a huge silence
Endlessly repeating something we cannot hear
Inarticulate, Arctic
Not written on by history, empty as paper.

The Canadian dream of which I have spoken may still be elusive and undefined. However, in our own way, in this House of Commons, in this Parliament, with the premiers and in meetings, and with the good will of the people of this country

who have tried to make this constitutional resolution better—let us remember the word "better"—we can find a little part of that Canadian dream and define it a little bit. We can add to that empty paper. We can articulate in the huge silence which is Canada, and that is what we are trying to do.

That is why I am supporting this constitutional document. That is why I am encouraging hon. members opposite to accept the amendment of the hon. member for Yukon, as spoken to the other night by the hon. member for Nunatsiaq, and, the other day, by the hon. member for Skeena (Mr. Fulton), and to let our northern territories develop into new and unique provinces to further continue the Canadian dream.

Some hon. Members: Hear, hear!

Mr. Howard Crosby (Halifax West): Mr. Speaker, let me begin by expressing my thanks to my colleagues in the Progressive Conservative caucus for giving me another opportunity to speak to the constitutional resolution as this parliamentary debate draws to a close. We began with the introduction of the constitutional resolution in September of 1980. We have travelled some perilous waters in coming to the position in which we find ourselves today; that is, our constitutional accord which may, in the end, result in giving the people of Canada a new Constitution, made in Canada, with provisions governing rights of Canadians.

I realize that we have yet to vote in this House of Commons on the ultimate provisions of the constitutional proposal. However, the establishment of the accord between nine of the provinces of Canada and the Government of Canada gives hon. members in this House the opportunity to consider the constitutional provisions in the light of a consensus and agreement among the great majority of the Canadian people. That is something we did not have in September of 1980 when this constitutional proposal was first brought before the House of Commons.

For that reason, let me pay my respects to the work done by the right hon. member for Yellowhead and Leader of the Official Opposition (Mr. Clark). From the time the constitutional resolution was introduced in this House, the Leader of the Official Opposition made his position clear. That position was that the constitutional resolution did not result from a process of consent and concurrence.

The process followed by the Prime Minister (Mr. Trudeau) in bringing this resolution to the House of Commons did not involve, and was not the product of, agreement with the heads of the provinces with whom he had dealt in a first minister's conference. It was the lack of the following of that process which was raised in the House by the Progressive Conservative Party as being the major objection to the constitutional resolution.

Today we stand here with our leader, the right hon. member for Yellowhead, completely vindicated in the position which he took with the support of the Progressive Conservative Party, the official opposition.

Some hon. Members: Hear, hear!

Mr. Crosby: If the people of Canada are not already aware, they should be made aware of the disaster which would have taken place in this country had this Parliament simply stood mute and not fought the Prime Minister and his party on their insistence in bringing forward a constitutional proposal which did not have the consent and concurrence of the provinces.

It should be repeated again and again across this country that it was the leader of the Progressive Conservative Party who stood up to be counted in the face of the apparent popularity of the constitutional provision. The Prime Minister said time and time again that the people of Canada were behind him; but in spite of that bravado on the part of the Prime Minister, the opposition on this side of the House stood firmly behind its leader. Now we have the constitutional accord which will give real meaning to constitutional change.

• (1450)

The process of consent and concurrence must continue. The Government of Canada cannot expect to bring about substantial changes in the traditions, culture and heritage of Canadians without the consent and the involvement of the provincial governments. That is very much a part of our federal system. I hope the Prime Minister and his supporters in this House of Commons have learned a lesson over the last months and years in that the federal nature of Canada must be honoured in any constitutional change.

There has been a fight in Parliament. The position taken by those who fought that battle has been vindicated. I hope that we can now proceed in a common sense fashion to bring about a sensible conclusion to this constitutional process.

I must remind you, Mr. Speaker, and other members of this house that part of that fight was the stand which this Progressive Conservative Party took on the matter of the reference to the Supreme Court of Canada. Again the Prime Minister and his Minister of Justice (Mr. Chrétien) stood both inside the House and outside of it and said that the Supreme Court of Canada had no role to play in the constitutional process. The Prime Minister and his Minister of Justice said that the constitutional proposals should go forward without any reference to the Supreme Court of Canada to determine its legality, notwithstanding the fact that in the past the government's proposal with respect to Senate reform had been pronounced unconstitutional.

Other legislative measures introduced by the government have been declared unconstitutional in the past and yet the Prime Minister failed to yield to those who cried caution and asked and begged that the matter be referred to the courts for resolution by the highest court of this land. It was only under pressure, again from the opposition and under the leadership of the Right Hon. Leader of the Opposition, that we were able to convince the Prime Minister that the matter ought to be referred to the Supreme Court of Canada.

Of course, everybody knows what happened once the constitutional proposal was referred to the Supreme Court of Canada. The Supreme Court of Canada said quite clearly that the proposal violated constitutional conventions. But what did

the Prime Minister do? Did he respect the decision of the Supreme Court of Canada? No, the Prime Minister then commenced an argument as to the meaning, extent and involvement of constitutional conventions in the process of change. The Prime Minister was again proved wrong, I suspect not because of action in this House, but because he must have known that the United Kingdom Parliament would force him to act on the basis of constitutional convention, that the United Kingdom Parliament would not allow him to have passed in Westminster the constitutional proposal unless the constitutional conventions established by the Supreme Court of Canada were observed.

We then had the process before us which led to the accord between the Government of Canada and the provinces. It is that accord that we must follow and keep in mind as we consider the constitutional proposal now before this House. The Prime Minister himself in the past has indicated quite clearly that the constitutional proposal had two main parts. The first part was to bring the Constitution to Canada and make it subject to an amending formula which could be implemented within Canada and without reference to the United Kingdom Parliament. The second part was the establishment of a Canadian Charter of Rights and Freedoms.

I want to deal principally with the matter of the Canadian Charter of Rights and Freedoms as enacted in the constitutional resolution. The legislative provision on human rights and fundamental freedoms is not new to the Parliament of Canada. In fact, the Canadian Bill of Rights was introduced in this House by the Right Hon. John G. Diefenbaker many years ago. As a result of the efforts of Mr. Diefenbaker, the Canadian Bill of Rights was enacted and became law. If you review that Canadian Bill of Rights today, Mr. Speaker, you will see provisions not much different from those provisions included in the Canadian Charter of Rights and Freedoms.

But, Mr. Speaker, you must ask yourself, what effect do those provisions have? Since the enactment of the Canadian Bill of Rights and over the years since then, when brought before the courts in attempts by persons to apply those provisions to situations which arose from time to time, the courts, and particularly the Supreme Court of Canada, have not championed the cause of human rights as enacted by the Canadian Bill of Rights. Time and time again the courts in their decisions have limited the application of the Canadian Bill of Rights.

When people talk about emasculating constitutional provisions and emasculating the charters of rights, that is indeed what has taken place over the years with respect to the Canadian Bill of Rights. That is my first and foremost concern. Will the provisions now contained in the Canadian Charter of Rights and Freedoms will be given full force and will they be implemented across Canada if and when the charter becomes law. That will happen only if the Charter of Rights and Freedoms has the real support of the Canadian people. It is only today, as a result of the accord reached among the provinces and the Government of Canada, that I think there will be the kind of acceptance on the part of the Canadian people that is necessary to give real meaning to the provisions of this charter.

I would like to review some of the provisions of the charter which I think are of real importance and could bring about just results in situations where in the past injustice has occurred. I have particularly in mind the provisions relating to handicapped persons. Anyone who has followed the plight of handicapped persons in Canada will know that in many practical and theoretical ways they have been deprived of their rights. Our charter now contains a provision which will guarantee handicapped persons equality with all citizens of Canada. I wonder if the people of Canada and indeed even members of this House, realize and recognize what that means. It means in one way the simple provision of access to buildings so that a person in a wheelchair can go into the same places as a person who has the full use of his or her legs. That physical access can be easily provided.

But what about the other problems facing the handicapped? Will our schools across Canada be willing to admit children with handicaps? It will be very difficult to bring handicapped children into the classroom in which other children, are taught—those who might be said to be normal children. If handicapped children cannot be brought in and integrated into the educational system and have exactly the same privileges and treatment as children without handicaps, this provision will be meaningless.

I can say from past personal experience that the implementation of those provisions will cost thousands and thousands of dollars, perhaps millions and millions, in the provinces of Canada. I hope that when we rise to vote on this constitutional resolution and endorse the rights which we are now giving handicapped persons, we will do so in the full realization that in order effectively to implement those rights millions of dollars of public funds will have to be expended.

I can say the same thing about native persons. In this Charter of Rights and Freedoms, if it is enacted by this House, we have given special rights to native persons. To implement those rights we are now giving to native persons will mean a massive, expenditure of public funds, so as to equate the position of native persons with that achieved by other Canadians. I hope we are ready for that.

We are giving special rights to women by way of a provision that will ensure that women have equal rights with men. I am sure all Canadian women can tell you of many instances during their lifetime when they have been deprived of rights. Again we must face the fact that in order to implement any special rights, such as the right of equality we will be giving women, we have to face the challenge of implementing those rights.

• (1500)

Members of this House from the province of Nova Scotia, particularly my good friend, the hon. member for Dartmouth-Halifax East (Mr. Forrestall), were surprised to learn a few weeks ago that the government of Nova Scotia had some concerns about giving full rights to women. We have come to

learn that this involved a technical matter and the legal drafting of the measure, and that there was never any intent on the part of the government of Nova Scotia to refuse to give women across Canada equality of rights.

However, I do want to go a step further. I have said publicly, and I repeat now, that the challenge to the government of Nova Scotia and, indeed, the challenge to all provincial governments and the Government of Canada, is not to stop at merely enacting a provision that gives equality to women, but to proceed to implement that right and ensure that women receive their just and fair treatment in Canada in all phases of life. I cannot repeat too often the need to challenge governments, having given rights to the people of Canada, to ensure that those rights are implemented and given real meaning.

There is an area not expressly a part of the Canadian Charter of Rights and Freedoms that is very important to persons in Eastern Canada, and that is the question of equalization and regional disparity. The constitutional resolution contains a provision in Section 35 guaranteeing the removal of problems which have in the past created regional disparities. The same provision indicates that the Government of Canada and the Parliament of Canada will promote equal opportunity for the wellbeing of Canadians, and will further economic development to reduce disparity in opportunity and provide essential services of reasonable quality to all Canadians. The area of Atlantic Canada has suffered in the past in this regard. Again the challenge to the Government of Canada is to implement this provision which is about to be enshrined in a constitutional resolution.

I have to say that it does not look to me at this point in time that the government takes that challenge seriously. The government is willing to bring forward a provision and include it in a constitutional resolution, but is it ready to go forward with the economic measures and initiatives required to bring about real equality among the regions of Canada?

I look across the House and see the Minister of Transport (Mr. Pepin), and I am reminded of the record of the Canadian National Railway Company. In 1867 the national railway line was very much a part of the confederation proposal. Confederation was built around a transportation system that would give to all areas of the confederation equal access and equal opportunity to trade goods and otherwise deal with various parts of the confederation. Some 115 years later that transportation system is in jeopardy.

At the port of Halifax, for example, as the minister knows, we are suffering from the inability to transport goods, particularly in containers and in other forms of cargo containers, from the port of Halifax to Central Canada. The only practical link is the Canadian National Railway Company. What does the railway company do? It places rates on that freight transportation which make it impossible for many marine transporters to compete effectively. How can we take seriously a constitutional provision intended to develop equal treatment and remove regional disparities when right this very day we have allowed our national transportation company to fall to the position where it cannot create at least that level of equality of transportation services?

We have before us at the present time, at the initiative of the hon. member for Yukon (Mr. Nielsen), a proposal to remove from the constitutional resolution those provisions which would give to all the provinces and the Government of Canada the right to decide whether the Yukon Territory or the Northwest Territories can become provinces of Canada. If that amendment succeeds in passing through the House, then the right to create new provinces will belong solely to the Government and the Parliament of Canada, as has been the case in the past. I support that proposal, and I support it because—

The Acting Speaker (Mr. Ethier): Order, please. I regret to interrupt the hon. gentleman but his allotted time has expired. Nevertheless, he may continue with unanimous consent. Is it agreed?

Some hon. Members: Agreed.

Mr. Crosby: Thank you, Mr. Speaker. I merely wish to say in conclusion that I support the proposal the hon. member for Yukon has initiated because we have a similar problem in the province of Nova Scotia. We want to expand our boundaries in order to include within our province the submarine lands, which we believe are rich in natural resources and which we believe are rightfully claimed by the province of Nova Scotia. This goes to the right of self-determination among the regions and provinces of Canada, and is very much an important feature of any constitutional change; that is, giving the people of an area the right to determine their future. Thank you, Mr. Speaker.

Some hon. Members: Hear, hear!

Mr. Jim Hawkes (Calgary West): Mr. Speaker, it is a pleasure to stand in the House this afternoon to speak about the Constitution of Canada. I should like to begin by paying tribute to the right hon. leader of the Conservative Party and to my colleagues in this party on this side of the House. I think that tribute is warranted because we would not be here in the month of November 1981, dealing with this basic resolution, which is so very different from the one we first saw in October 1980, had it not been for the leadership given by that former Prime Minister of Canada who sits in this chamber on this side of the House. He has had that experience and that awesome responsibility as head of the Government of Canada. It was that experience as well as his experience from the years before that perhaps provided him with the wisdom and common sense needed to recognize what was wrong with the original package.

May I suggest that it was not just the content of the original package which was at fault but, and this is perhaps clear to most Canadians, that unilateral process which ran against the very nature of this country and which has run as a thread throughout our discussions on the Constitution both in this House and in the committee. I am pleased to be able to stand this afternoon and indicate to Canadians that this unilateral process was stopped and we returned to the Canadian way of

resolving conflicts. As a result, we were able to reach an agreement among the nine provincial Premiers and the Prime Minister of Canada (Mr. Trudeau). Once that initial barrier was overcome, we subsequently found in the House of Commons a remarkable degree of agreement on some very basic issues. This would indicate that the charter and the resolution itself were still flawed. We are engaged here this afternoon in the process of trying to correct it further.

• (1510)

For me, the word Canada suggests something clearly greater and more significant than the sum of its parts. I think we should acknowledge, especially in the House of Commons of Canada, that our nation is truly blessed, both in the quality of the people who live within it and in the resources which are available to every Canadian. I believe it is equally true, as our leader often says on public platforms to Canadians, that we are a community of communities. What he is reflecting is the basic reality of this nation. What he is speaking to is our vast distances, the different political choices in many of our provinces and regions. What he is trying to communicate to Canadians is the necessity for every member in the House, and hopefully every Canadian, whatever their origin, to be sensitive and never forget how large this country is and how varied those of us who live in different parts of Canada are.

When we cease to be sensitive and try to move unilaterally, when decisions which are binding on all parts of Canada are made from the centre, and as the distance from Ottawa increases, the sensitivity to those decisions decreases. The rhythms which result are frequently dangerous and run counter to the essential nature of Canada and, I believe, counter to the reality of Canada in the future.

If we are not sensitive to each and every part of this nation, we run the risk of putting intolerable pressure on parts of this nation. We run the risk of giving cause to those who would separate us in this nation. That is true of Quebec today and that is true of the people in my province because of the tensions we have experienced over the last 12 months. Those tensions were real and were caused by nothing more and nothing less than the public perception of a lack of sensitivity to those parts of Canada which are somewhat different than the centre.

I suggest to members of the House that it takes a long time for public perception to grow and for the public to understand accurately what it is that we sometimes debate in the House for too little time.

The major feat which this party accomplished on behalf of the Canadian people was really nothing more and nothing less than time for the Canadian people to begin to understand what the constitutional resolution was all about and time for Canadians to mobilize and bring pressure to bear on the people whom they elect and give them, if you will, a sense of public's will and a sense of the need for change. That is what the filibuster brought on behalf of the Canadian people.

I believe that this week has been an important one in the history of this nation, and the common ingredient again is time. People who care, who are knowledgeable and who live in all parts of this country have used that time to put pressure on their provincially and federally elected members to continue to change and try to improve this resolution before it becomes the basic law of our country.

If it was true in October, 1980, that we needed time, I stand in the House this afternoon to say that I do not think we need much more time, but we do need some. I wonder how future members of this chamber will feel ten years from now if they look back on what we are doing here today and wonder if a few hours or a few days would have given a little more time for the Canadian system to work, more time for the people of Quebec, for instance, to find out exactly what this constitutional resolution is about and to bring pressure on the people elected from the province of Quebec to improve it so they could be signatories of the resolution.

Mr. Nielsen: Mr. Speaker, I rise on a point of order. If I may be so discourteous as to interrupt the hon. member for Calgary West (Mr. Hawkes), I believe the government House leader has a proposal that he wishes to advance, if that is acceptable to the hon. member for Calgary West.

Mr. Hawkes: Agreed.

The Acting Speaker (Mr. Ethier): Is that agreed?

Some hon. Members: Agreed.

Mr. Pinard: Mr. Speaker, I think I can say that there is unanimous consent to allowing me to move the following motion.

The Acting Speaker (Mr. Ethier): Is that agreed and so ordered?

Some hon. Members: Agreed.

Hon. Yvon Pinard (President of the Privy Council): Mr. Speaker, following a proposal made by the hon. member for Yukon (Mr. Nielsen) and following the House leaders' meetings which followed this proposal made on the floor of the House this morning, I am happy to report that we have come to an agreement on the following motion. Therefore, I move, seconded by the hon. member for Yukon and the hon. member for Hamilton Mountain (Mr. Deans):

That the motion of the Minister of Justice for an Address to Her Majesty the Queen concerning the Constitution of Canada (Government Orders, Government Business, No. 56), notwithstanding any Standing or other Order, be disposed with as follows:

1. The first member to be recognized after the amendment to the said motion proposed by the honourable member for Yukon has been disposed of shall be the honourable member for Rosedale who shall propose an amendment.

2. All questions necessary for the disposal of the amendment proposed by the honourable member for Rosedale shall be put without further debate no later than 4.30 p.m. this day.

3. After the disposal of the amendment proposed by the honourable member for Rosedale the first member to be recognized shall be a member of the Progressive Conservative Party who shall propose an amendment relating to fiscal compensation of provinces and the next member to be recognized shall

be a member of the New Democratic Party who may propose a subamendment.

4. Not later than 8.00 p.m. on Tuesday, December 1, 1981, a member of the Progressive Conservative Party may propose an amendment relating to section 23 of the resolution.

5. Notwithstanding any Standing Order or ruling or practice, at 10 p.m. on Tuesday, December 1, 1981 an amendment that is the same as the subamendment proposed by the honourable member for Cowichan-Malahat-The Islands on November 26, 1981, but found to be out of order, shall be deemed to have been moved and to be in order.

6. Except as provided in this Order, no other amendments may be proposed, provided that this shall not be interpreted as preventing the proposal of sub-amendments.

7. At 3 p.m. on Wednesday, December 2, 1981, the Speaker shall interrupt whatever proceedings are under consideration and shall put, forthwith and successively all questions necessary to dispose of the aforementioned Government Order without further debate or amendment.

● (1520)

Mr. Nielsen: Mr. Speaker, that is precisely as agreed.

Mr. Deans: Mr. Speaker, I would just like to add that I too find this motion in order, and I am happy to see the end in sight.

Mr. Allmand: Mr. Speaker, I want to be fair to the House leader. I had made it known that I insisted on having the right to speak in this debate because I have a special position on certain sections, and the House leader did guarantee me that right to speak. However, I must say that by merely listening in the House to the whole motion which is a long, complicated motion, it is hard to grasp, and I wonder if it is necessary that we agree to it immediately. Could we not circulate it so that we could read it, and then agree to it perhaps in five or ten minutes? I do not suggest for one minute that the House leader is trying to mislead me in any way, but I feel I have an obligation to read the motion to make sure my rights are protected.

The Acting Speaker (Mr. Ethier): This places the Chair in and awkward position. Either we have a motion or we do not have a motion before the House. However, for the benefit of the hon. member, I will read the motion through again.

It is very difficult to entertain a motion and then not to entertain a motion. There is a motion before the House, and I think it should be accepted or disposed of now.

[*Translation*]

Mr. Pinard: Mr. Speaker, I can reassure my colleague, the hon. member for Notre-Dame-de-Grâce-Lachine East (Mr. Allmand). What he says is correct. I promised that he would have an opportunity to speak before the end of the debate. I even told him—and I have no hesitation in saying so publicly—that there is a possibility, not a guarantee because that kind of guarantee cannot be given to any member, and as far as I am concerned I will not raise any objection, a possibility for him to move a subamendment to Section 23 of the constitutional resolution, keeping in mind Section 4 of the agreement. In these circumstances, whether we need five or ten minutes to vote on the resolution, I have only one word and again I say to the hon. member that I cannot guarantee that he will be given an opportunity to move a subamendment, it is possible he may have that opportunity, but one thing for sure is that he will be entitled to make a speech before the end of the debate on the constitution.

[*English*]

Mr. Allmand: Mr. Speaker, I do not ask of course for a guarantee that I be allowed to propose an amendment. I merely asked about the possibility to do so. To ask for a guarantee I would have to sit here every hour of every day the House is sitting. It is my responsibility to be here and to take advantage of the opportunities open to me, but as long as I have the possibility and the guarantee to speak in the debate, I will agree to the motion.

The Acting Speaker (Mr. Ethier): I think that, according to the motion, that possibility does exist. Before putting the motion to the House—

[*Translation*]

Mr. Duclos: On a point of order, Mr. Speaker.

The Acting Speaker (Mr. Ethier): The hon. member for Montmorency-Orléans (Mr. Duclos) on a point of order.

Mr. Duclos: Mr. Speaker, I had told the President of the Privy Council (Mr. Pinard) that I would agree to any motion that would require unanimous consent if I were allowed to move in the House an amendment concerning Section 37. I am not saying I suspect the intentions of my colleague the President of the Privy Council, I simply want to be enlightened because I did not quite understand the full consequences of the motion.

Mr. Pinard: I can clear this up by saying that the hon. member for Montmorency-Orléans (Mr. Duclos) was kind enough to give me his word that he would never refuse to accept any agreement whatsoever in this House. I took his word for it and I accept it. If he wants further clarification I will be very pleased to sit down with him in a few minutes, after the motion has been adopted, to explain it to him. If he wants to speak in the debate I will ask the chair to give him an opportunity to speak.

Mr. Duclos: Mr. Speaker, it is not just a matter of having the guarantee to speak in this debate. I had also indicated my intention of moving an amendment to Section 37 on the amending formula. In any event, I shall respond to the invitation extended to me by the President of the Privy Council and I am sure that we can come to a gentleman's agreement.

[*English*]

The Acting Speaker (Mr. Ethier): Before putting the motion there would have to be unanimous consent to dispose of the private members' hour, since this motion calls for a vote at 4.30. Is that agreed?

Mr. Nielsen: Mr. Speaker, we have had discussions on that, and we do not want in any way to impinge on private members' hours. So I think we are all agreed that whatever time this matter takes, the private members' hour shall continue this evening for a full hour. Its commencement is dependent upon the disposition of the first parts of this House order.

[*Translation*]

Mr. Pinard: Mr. Speaker, it was agreed that, no matter when the vote on the amendment moved by the hon. member for Rosedale (Mr. Crombie) would take place, there would be a full hour for private members' business, and although the motion says 4.30, I am sure that out of courtesy, if we need a few extra minutes to end the speeches, we could have them by unanimous consent.

[*English*]

The Acting Speaker (Mr. Ethier): Order, please. Is it agreed that the Chair will not see the clock at four o'clock?

Some hon. Members: Agreed.

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

Some hon. Members: Agreed.

Motion agreed to.

The Acting Speaker (Mr. Ethier): It is so ordered.

Mr. Nielsen: Mr. Speaker, now we put the question on my amendment now before the House.

Mr. Allmand: Mr. Speaker, I rise on a point of order. This morning I asked one of the speakers from the opposite side of the House if there would be a report on the discussions with the provinces. I understand that the hon. member for Yukon (Mr. Nielsen) was seeking agreement to his amendment from provincial governments, and I would like to know what sort of consensus or agreement he has from the provinces. Is he suggesting that we break the accord, or does he have agreement to do that?

[*Translation*]

Mr. Pinard: Mr. Speaker, I do not want to answer for the hon. member for the Yukon (Mr. Nielsen), but as far as the business of the House in concerned, I want to indicate that by order of the House you must now put the amendment moved by the hon. member for the Yukon. I have no objection if he wants to reply to the hon. member for Notre-Dame-de-Grâce-Lachine East (Mr. Allmand).

[*English*]

Mr. Waddell: Mr. Speaker, I rise on a point of order. We should hear the answer to that particular question. It is very relevant to this vote, and we should not cut it off. I suggest that we seek the unanimous consent of the House so that the hon. member for Yukon (Mr. Nielsen) can answer the very relevant question posed by the hon. member for Notre-Dame-de-Grâce-Lachine East (Mr. Allmand).

The Acting Speaker (Mr. Ethier): The question is on the amendment of the hon. member for Yukon (Mr. Nielsen). Is it the pleasure of the House to adopt the amendment?

Some hon. Members: Agreed.

Some hon. Members: No.

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

Some hon. Members: Yea.

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

Some hon. Members: Nay.

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

And more than five members having risen:

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

The House divided on the amendment (Mr. Nielsen) which was negatived on the following division:

(Division No. 128)

YEAS

Messrs.

Althouse
Andre
Anguish
Baker (Nepean-Carleton)
Beatty
Benjamin
Blaikie
Bosley
Bradley
Broadbent
Carney (Miss)
Clark (Yellowhead)
Clarke (Vancouver Quadra)
Cooper
Corbett
Crombie
Crosby (Halifax West)
Crouse
Dantzer
Deans
de Jong
Dick
Dinsdale
Epp
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Gass
Gurbin
Gustafson
Hamilton (Qu'Appelle-Moose Mountain)
Hamilton (Swift Current-Maple Creek)
Hargrave
Hawkes
Hovdebo
Howie
Huntington
Ittinuar
Jewett (Miss)
Keeper
Kilgour
Kristiansen
Lawrence
Lewis
Lewycky
Malone
Manly
McCain
McCuish
McDermid
McGrath
McKenzie
McKnight
Miller
Mitchell (Mrs.)
Munro (Esquimalt-Saanich)
Murphy
Murta
Nielsen
Nowlan
Nystrom
Oberle
Ogle
Orlikow
Paproski
Parker
Patterson
Riis
Robinson (Burnaby)
Roche
Sargeant
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Siddon
Skelly
Taylor
Thacker
Thomson
Waddell
Wenman
Wilson
Young—85.

NAYS

Messrs.

Axworthy
Bachand
Baker
(Gander-Twillingate)
Beauchamp-Niquet
(Mrs.)
Bégin (Miss)
Berger
Blais
Blaker
Bloomfield
Bockstael
Breau
Bujold
Burghardt
Bussières
Caccia
Campbell
(Miss)
(South West Nova)
Campbell
(Cardigan)
Chénier
Chrétien
Comtois
Corriveau
Côté (Mrs.)
Cousineau
Cyr
Daudlin
Dawson
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne
(Chicoutimi)
Dionne
(Northumberland-
Miramichi)
Dubois
Duclos
Dupont
Dupras
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Flis
Fox
Garant
Gauthier
Gimaïel
Gingras
Gourd
(Argenteuil-Papineau)
Gourde
(Lévis)
Gray
Guilbault
Herbert
Hervieux-Payette
(Mrs.)
Hopkins
Hudecki
Irwin
Johnston
Joyal
Kelly
Killens (Mrs.)
Lachance
Lajoie
Lamontagne
Landers
Lang
Laniel
Lapierre
Lapointe
(Charlevoix)
Lapointe
(Beauce)
LeBlanc
Lefebvre
Lonsdale
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Munro
(Hamilton East)
Olivier
Ouellet
Parent
Penner
Pepin
Peterson
Pinard
Portelance
Prud'homme
Regan
Roberts
Robinson
(Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tobin
Tousignant
Turner
Veillette
Watson
Whelan
Yanakis—117.

Mr. Deputy Speaker: I declare the amendment lost.

● (1600)

Hon. David Crombie (Rosedale): Mr. Speaker, I would like to propose and speak to the following motion:

That the proposed Constitution Act 1981 be amended by adding after Clause 31 of Part I the following new clause:

"32. Nothing in this charter affects the authority of Parliament to legislate in respect of abortion."

The other day, the hon. member for Etobicoke-Lakeshore (Mr. Robinson) asked the Prime Minister (Mr. Trudeau) a question with respect to this matter. The Prime Minister responded in this fashion:

If the essence of the question is whether this House continues to have the right to deal with abortion, Madam Speaker, the answer is yes. It will be the Parliament of Canada which will still be writing the Criminal Code, and members of this House will have the responsibility, and I wish them well, in dealing with the problem of abortion.

In my view, all sides of the House and, indeed, Canadians across the country, want to ensure that Parliament has the right to legislate if any changes are deemed necessary with respect to the law on abortion. The difficulty for a great number of Canadians is that conflicting legal difficulties throw that matter into doubt. We want to make it clear that Parliament's freedom to legislate on this matter is unimpaired.

Some hon. Members: Hear, hear!

Mr. Crombie: That is the purpose of the amendment, and there is no other. Abortion is not merely a legal matter, and it is not only a medical matter; it is both. For many people it is also a moral question. Those who believe in, and call themselves Pro-Life, have a strong moral conviction that life begins at conception. They hold a deep and abiding reverence for the sanctity of human life. They even have difficulty with the existing legislation. Those who believe in, and call themselves Pro-Choice, believe, as stated in I Corinthians, that the body is the temple of the Holy Spirit; therefore, they believe that abortion and the question of abortion is a personal and individual responsibility. They hold that conviction so strongly that they have difficulty with the existing legislation.

Many of us on all sides of this House and throughout the country represent constituents who understand and agree with at least some parts of both of those positions. Indeed, it has been my experience that when Canadians themselves deal with the matter of abortion in specific situations, they approach the matter with soul-wrenching honesty. They try to do the right thing and they try to choose the good. They try to do what they ought to do.

If Your Honour has ever been involved in any specific circumstance, you know that there is a desperation concerning the question of abortion as people strive to get a moral perspective in dealing with the onslaught of circumstance. That is why the vast majority of Canadians approach the matter with a feeling of individual responsibility to themselves, to their families, to their communities, and to their God, taking into consideration their reverence for life. That has been my experience; but it may not be the same for all at all times.

There are some people who think that abortion is only a medical matter and that it is devoid of any moral context. There are others who think that there are no moral, theological or compassionate grounds for the act of abortion. It is not my purpose, in this amendment, to evaluate or judge any of those perspectives. I want to ensure that these perspectives will be heard when the question is raised in the Parliament of Canada.

Some hon. Members: Hear, hear!

Mr. Crombie: It took 350 years to establish the parliamentary system where legislation governing our actions with respect to life and death would be determined not by those appointed by the state but, rather, by those elected by the people themselves.

Some hon. Members: Hear, hear!

Mr. Crombie: None of us disagree on that: not the Liberals, not the New Democrats, not the Conservatives, not Pro-Life, not Pro-Choice, and not anyone in the middle. We all agree that Parliament must have the freedom to decide. The purpose of this amendment is simply to make sure and make clear to all that that is, indeed, our intention.

For those who have doubts about the matter being in the Constitution, this will lay to rest their fears. For those who do not have any doubts, it should give them no problem because this motion does not alter the substance of the charter one whit.

Some hon. Members: Hear, hear!

Mr. Crombie: Through this amendment, I am simply making explicit what the Minister of Justice (Mr. Chrétien) and the Prime Minister made implicit yesterday.

Some hon. Members: Hear, hear!

Mr. Crombie: Moreover, I should add that since the amendment deals only with the Parliament of Canada, it should not have any effect on the accord between the federal government and the provincial governments.

Some hon. Members: Hear, hear!

Mr. Crombie: I would also like to say that in my view this amendment strengthens the charter. It will remove doubt from those who would like to be able to support the charter, just as we removed doubt in Section 28 when Parliament restored equality to full guarantee, as no override is contained in that section. Finally it agreed with the ancient Chinese philosopher that women hold up half the sky, therefore confirming that in this country there should be clear equality between women and men.

Some hon. Members: Hear, hear!

Mr. Crombie: We have also removed the doubt concerning Section 34 and native rights, as many people in on both sides of the House are attempting to do with respect to the doubts raised in the Province of Quebec.

When I was asked if I might speak on this motion, I prepared some notes. I do not mind saying that a number of people got in touch with me. Although they agreed with the substance, they asked why I was doing it since I was not directly involved with the issue and had not participated on behalf of my party on the issue. I make these comments today and, in a sense, put my neck on the line because I believe in this Charter of Rights and Freedoms.

Some hon. Members: Hear, hear!

Mr. Chrétien: What about the accord?

Mr. Crombie: I believe in the accord.

Mr. Chrétien: You believe in the accord?

Mr. Crombie: The Charter of Rights and Freedoms is very important, not because it will deliver immediate realities tomorrow, but because it contains articles of faith and testimonies of hope for the people whom this Constitution governs.

Some hon. Members: Hear, hear!

• (1610)

Mr. Crombie: This charter not only sets down the rights, the freedoms and the privileges for which generations of Canadians have fought and died, its provisions also extend to Canadians who until now have had great difficulty understanding that in this country they had an equal stake in the future. This charter allows those people to come into the Canadian home. What I want to do through this amendment is to allow the doubters to come home. I want to allow the doubters to come home and support this charter.

The story of Thomas is an old story, but it was Jesus of Nazareth who told us that it was necessary to go with the doubters one more time, to go with the doubters that one extra mile. That is the purpose of this amendment.

This charter was built by all of us. It is not the product of the Liberal Party of Canada, it is not the product of the Conservative Party and it is not the product of the New Democratic Party alone. I served on the constitutional committee and I know that this charter is the product of all of us. It is not a triumph of one group over another. It is not a triumph of one view over another. This charter moves us one giant step closer to the goal of the Right Hon. John George Diefenbaker in 1961 when he stated that his reason for having an entrenched charter of rights was as follows:

> I am a Canadian, a free Canadian, free to speak without fear, free to worship God in my own way, free to stand for what I think right, free to oppose what I believe wrong, free to choose those who shall govern my country.

Therefore, I can decide the questions that are vital to me.

Some hon. Members: Hear, hear!

Mr. Crombie: Mr. Speaker, I am aware that this motion causes difficulty, and it was not my purpose to cause difficulty. I ask the government to consider my motion. It is a simple one. It allows those who want to support this Charter of Rights and Freedoms to be able to support it once they have been assured that the Parliament of Canada, not the courts alone, will deal with the question of abortion.

I want to emphasize that all of the groups, no matter on which side of the question they are, want Parliament to decide.

Some hon. Members: Hear, hear!

The Acting Speaker (Mr. Ethier): I see the hon. member for Burnaby (Mr. Robinson) rising on a point of order.

Mr. Robinson (Burnaby): Mr. Speaker, will the hon. member permit a brief question?

The Acting Speaker (Mr. Ethier): Is there unanimous consent for the hon. member to ask a question?

Some hon. Members: Agreed.

Some hon. Members: No.

[*Translation*]

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, in addition to the comments I am about to make regarding this particular amendment, including various reasons why I feel the amendment is redundant, I should also like to take this opportunity to explain the government's general position with respect to amendments that are presented to the House at this stage, undoubtedly for perfectly good reasons, with a view to further improving the charter. Of course there is room for improvement in the charter like everything else that is made by man, and we admit as much. However, I would like to suggest to the House that at this stage, any further amendment such as the one presented by the hon. member opposite and the one that has just been defeated and which was moved by the member for Yukon (Mr. Nielsen), is actually a threat to the accord concluded on November 5 which finally gave us our own constitution amendable in Canada with a charter of rights, of which a member of the opposition has just said that it was very good in its present form.

I shall first address the substance of the amendment. The Minister of Justice (Mr. Chrétien) has explained several times in this House, in point and verbally on other occasions, that in his view, which is supported by his own Department of Justice, the charter is at this point in time neutral with respect to abortion. In other words, the charter does not say whether abortions will be easier or more difficult to practise in the future. The charter is absolutely neutral on this matter, and according to the interpretation of senior officials and agents of the Department of Justice and according to the minister himself, under the constitution the House retains the right to amend the Criminal Code, which is the statute affecting the issue of abortion. So, as I said yesterday, I believe, in answer to a question by the member for Etobicoke-Lakeshore (Mr. Robinson), the House will probably have to decide in the weeks, months or years ahead, depending on the wishes of its members, whether the Criminal Code should be amended to make abortion less readily or more readily available. The onus will be on us. This, Mr. Speaker, is to reassure those who feel that under the charter we are losing some of our rights with respect to abortion. However, as I said yesterday to the member for Etobicoke-Lakeshore, should a judge conclude that on the contrary, the charter does, to a certain extent, affect certain provisions of the Criminal Code, under the override clause we reserve the right to say: Notwithstanding this decision, notwithstanding the charter of rights as interpreted by this judge, the House legislates in such and such a manner on the abortion issue.

Mr. Speaker, that is our general argument. Moreover, towards the end of his speech I heard the hon. member for Rosedale (Mr. Crombie) say that there were still people who had some doubts about this, and he said, and I hope I am quoting him correctly:

[*English*]

"We want the doubters to come home. "We want the doubters to feel reassured as a result of this charter, and, therefore, I am proposing an amendment relating to abortion".

Once again I think what the hon. member is doing is being done with the utmost of good faith. But I wonder why he does not also attempt to satisfy doubters with regard to the question of capital punishment. Maybe the right to life, which is guaranteed in the charter, in some way affects the possibility of restoring or abolishing capital punishment. There are certainly some doubters on that point. I see some hon. members in the backbenches behind the hon. member for Rosedale (Mr. Crombie) nodding in assent.

What about the question of euthanasia? It also affects the right to life. Why do we not say that nothing in this charter prevents us legislating on that? What about genetic engineering? What about all the doubts that will arise on every other subject? We have the right to have conscription, maybe; the right to send men to war to kill other people or be killed themselves. All these things may cause doubt in some people's minds.

● (1620)

This is to say, Mr. Speaker, that we cannot expect in advance, in the short time we have, without the test of the application of this charter in the courts and without some experimentation with its effects, to bring all the doubters home, as the hon. member would like to see us do.

I will go on to another argument which once again affects not particularly this amendment but others. The Minister of Justice (Mr. Chrétien) has handed me several pages of argument to the effect that this amendment is not only unnecessary but could, indeed, be harmful because, by excluding from the charter the right to do something as regards abortion, lawyers and judges might be inclined to conclude that since we made that exclusion for abortion and did not make it for euthanasia, capital punishment and so on, therefore the charter itself precludes the Parliament of Canada from legislating in those areas.

That is just one of the many arguments the Minister of Justice has just handed me. I will not go into them at this stage. They are all good, but it seems to me we have another reason which does not affect only this amendment, but which affects the amendment moved earlier by the hon. member for Yukon (Mr. Nielsen) and no doubt will affect other amendments which will be moved in the course of today, Monday, Tuesday or Wednesday. I want to explain the attitude this party has as regards those amendments.

When I was meeting with the ten provincial first ministers on November 3, 4 and 5 I was meeting them not only with the desire of this party but with that of others to seek one final compromise, which I must say in my own heart I was not very optimistic about reaching, though I was very determined, as was the Minister of Justice who was assisting me, that we would ago as far as was conceivably possible to try to make an accord possible. Not only was that argued on this side of the

House, it was a very firm enjoinder of the Leader of the Opposition (Mr. Clark) and the Leader of the New Democratic Party (Mr. Broadbent), who made strong, I would say almost vociferous, statements to the effect that if we went there and did not negotiate in good faith, they would fight us tooth and nail all the way. They would not let us go to London.

I must say this was not surprising coming from the Leader of the Opposition. This has always been his position, and I respect it. But the Leader of the New Democratic Party, who has been a supporter of the previous resolution before the House, made it very clear to me too that if there was not some compromise, if there was not a genuine attempt to reach an agreement, he would not be able to guarantee that he or his caucus would support this party in the resolution which was then before the House.

The Government of Canada went to that meeting of first ministers intent on compromise, intent on reaching agreement even if that meant giving up some parts of the charter or, indeed, some formula for amending which we thought, and, as I indicated in answer to questions earlier today, probably still think, is better than the one with which we are now going to proceed to Westminster. But we compromised. We were asked to compromise and we did compromise.

The result is that we reached an accord which is historic not only in content but in bringing into effect the will of the Canadian people and of successive governments since they began the attempt in 1927, to give a constitution to Canada, the only sovereign country in the world which until now, and it is still true today, did not have its own constitution amendable in its own country—a constitution as a result of an accord which would have these historic, momentous dimensions.

This did mean on this side giving up quite a bit. It meant telling the premiers: We will give in to you when you want a *non obstante* clause; we will give in to you when you do not want the Victoria formula but prefer the Vancouver formula—which was also the preferred formula of the Leader of the Opposition—but at least we will sign this accord in good faith and will undertake as a government to see it through the House of Commons. I think we have lived up to the spirit of that accord until now.

It is true that with regard to the two amendments, one concerning women and equality between the sexes, and the other concerning aboriginal rights and the entrenchment thereof in the Constitution, the Minister of Justice did support changes. He did so after consulting with the nine signatories to the accord who gave their consent in circumstances which are known.

It is true also that in an effort to reach out to the government of Quebec we also brought in other amendments, one on the Canada clause and the other on some form of compensation when there is opting out of constitutional change in areas concerning culture and language, two subjects which, of course, are very important to the preservation of the identity of the French-speaking Canadians who are largely citizens of Canada residing in Quebec. It is true that the Minister of Justice did this. He did this in the case of the first two amendments because I think the results showed that if the equality of sexes amendment and the aboriginal rights amendment were left out of the accord, it was not the result of a wilful desire of the ten signatories to take out of it what had been before the House and the country for a year. In that sense I think the Minister of Justice, though I know he felt he was walking on eggs, treading gingerly, knew every time he picked up a phone to speak to the premier or attorney general of a province he was risking their saying: "Look, what are you people doing in Ottawa? You are trying to force us, blackmail us or threaten us into recognizing such and such a pressure from such and such a lobby group. You are end-running the accord." I must say the provinces have shown a great deal of forebearance and the Minister of Justice a great deal of patience in getting the improvements we already have.

I say, as regards the two amendments relating to the particular situation of Quebec, that they were not only brought before the House with the consent of the nine signatory provinces, but with the support, I believe it is fair to say, of at least a majority of the official opposition and of the NDP because they, as we on this side, feel it was and is important to bring the province of Quebec, through its legal government—I say "legal", but is it legitimate; I am not sure—into signing this accord.

That is the story of the amendments we had until now. That is why, from now on, when it comes to improving the charter in ways that had not been put before the House or had not been accepted in the previous resolution, improving the charter to bring doubters home as the present amendment suggests, or improving the charter to give satisfaction to the requests of the Council of the Northwest Territories or Yukon, as the amendment brought in by the member for Yukon (Mr. Nielsen) does, we say those improvements should be made in the charter when it is in Canada and when we have an amending formula to improve that charter.

I think that was the point of view expressed ad nauseam by the official opposition last year when we were trying to—

The Acting Speaker (Mr. Ethier): I regret to interrupt the Right Hon. Prime Minister. There was a House order earlier this day that at 4.30 the question would be put. However, he may continue with the unanimous consent of the House. Is it agreed?

Some hon. Members: Agreed.

Mr. Trudeau: I am sorry I did not realize that the vote was for 4.30, Mr. Speaker. I beg the indulgence of the House to permit me to at least terminate this last argument I was in the process of making.

Any amendment now which is brought before the House and which does not have support of the nine premiers, we will vote against. We will vote against it because we are holding our word to them. When the Minister of Justice (Mr. Chrétien) telephoned them during these past days, the premiers said that if that was the last time we would go to them, it was all right. But we are also keeping our word that

we gave them when we signed that accord, that imperfect as it was, we would be bound by that accord and we would not try to make end runs in order to improve it in some way that had not been done through the accord.

Once again, for a year the official opposition has been telling us that it wants a charter written in Canada, that it does not want it to be done in London and does not want Westminster to tell Canadians what their rights are. For the past ten days they have been trying to change this resolution so as to tell Westminster to tell us what this charter should be. Surely a minimum of consistency should be required. We had a charter. We have one now. It is not perfect, nor was it in the previous resolution, but now that we have an accord, now that we are proceeding to Westminster at least in a way in which the courts indicated was not only legal but constitutional, let the accord and the resolution go to Westminster. Let it come back and let us use the amending formula not only to bring other doubters on board if we have to, but even then to continue trying to bring the government of Quebec on side and hopefully as well the government of Ontario when it comes to entrenching Section 133.

These are the tasks ahead of us, Mr. Speaker. We should now turn our efforts in these last days to making sure that we do not destroy the historic accord of November 5. My caucus, my cabinet and I have reached this conclusion in past discussions, including one which we had this morning amongst several ministers in which we said that from now on we cannot risk accepting any amendments, no matter how desirable, because they do risk endangering the accord.

I think the first precept of ethics is to make sure that the aim for the better does not destroy the good.

We had made this decision and I told the leader of the House that I intended to speak in this way on this amendment, but just 15 minutes ago I was handed the text of a telex sent to me by the premier of British Columbia who, as we know, is the chairman of the premiers' conference for this year.

It is a telegram that was not solicited by me or my government and of which I had no knowledge until after we had made the decision that I have just announced.

With your permission, Mr. Speaker, I will read this telegram which has reached my office by telephone. I am told the telex is on its way. The telegram reads:

> I am writing to you on behalf of the nine provinces that signed the November 5 constitutional accord. The agreement reached in Ottawa is a significant achievement in the affairs of our nation and was only possible through compromise on the part of all of us. I have been asked by my colleagues to inform you that additional constitutional change should only be considered in Canada following the patriation of our Constitution. My colleagues and I believe that further negotiation must not put at risk the accord and that the package should be approved by Parliament as it now stands and proceeded with without further delay.

That is the position of the nine provinces which signed the accord. That is the position of this government and, regardless of the merits or demerits of any amendment put forth between now and the adoption of this measure, this government, and I hope members of this caucus, will respect the word we gave when we signed that accord and will agree to be bound by a compromise agreement which was constantly described as the Canadian way, by a compromise agreement which we signed in good faith and which we will defend in this House with utmost vigour.

Some hon. Members: Hear, hear!

The Acting Speaker (Mr. Ethier): The hon. member for Skeena (Mr. Fulton) is seeking the floor. Again, that can only be done with unanimous consent. Is it agreed?

Some hon. Members: Agreed.

Mr. Jim Fulton (Skeena): Mr. Speaker, I am sure all members of this House take most seriously the telegram that the Prime Minister (Mr. Trudeau) has just read. I hope the House will still take the time and the courage to consider some of the amendments that are to come before the House yet, such as the one in relation to the consent of the aboriginal peoples of this country.

I would like to speak to the amendment put before the House by the hon. member for Rosedale (Mr. Crombie) and to inform him and all members of the House that it is our opinion and that of the Department of Justice that the Constitution is neutral on the issue of abortion, and intentionally so.

Despite this, if what the member says is true, there is definitely a flexible amending formula, of which all members of the House are aware, and also the fact that seven of the consenting provinces are led by premiers of the same party as the hon. member.

I would like to deal for a moment with the last-minute amendment put forward without notice that is now before us. It is something that the Conservative House leader and the member for Provencher (Mr. Epp) took offence to our party doing yesterday when we introduced the consent clause in relation to aboriginal rights. They condemned us for not giving the House time to see the text and to consider it, to perhaps have caucus meetings and an opportunity to prepare speech notes before coming into the House. For that reason it is somewhat regrettable that they have suddenly moved this amendment.

It is the view of our party, Mr. Speaker, that it is clearly a redundant amendment, explicitly so, to use the same words as those used by the hon. member. It is an attempt to inflame the argument on both sides of this issue. For what purpose? I have listened to the Conservatives—the member for Nepean-Carleton (Mr. Baker), the previous House leader of that party, just yesterday, calling for support for the resolution, and he certainly was not alone in that party. It is neither necessary nor appropriate to spell out the proposed amendment in the Charter of Rights and Freedoms.

● (1640)

There is the danger in the constitutional sense that by specifically preserving Parliament's power in this area, the courts could draw the implication that Parliament's power is somehow diminished in other areas which are not named in

just such a clause. This is a very potent argument and one carefully avoided—in fact, perhaps purposely absent—in the argument put forward by the hon. member for Rosedale in the hope of drawing attention away from the issue of constitutional law to one of morality, to various possible court decisions and the very function of this House.

Why is the Conservative Party singling out abortion but not capital punishment, for example, and what is the signal they intend to send out, first to the Canadian public and, more specifically, to the courts? The answer is clear. This is an attempt by the Conservative Party to play the most devious kind of politics, and I say that without intending any slur or touching in any way on the honestly-held beliefs of the hon. member for Rosedale.

Where is the hon. member for Kingston and The Islands (Miss MacDonald)? I know that just a few hours ago she was unaware of this Tory action, this Conservative amendment. She was in Kingston today and is now hoping to get back, and I am confident she would fight against this kind of action taken, no doubt, to rally the Conservative caucus around an idea—a deeply felt issue, I admit, on the broader scale of human life—but it is certainly not specified here or in the amendment or in any of the legal arguments we have heard in the House or in the committee.

It has been made to seem that, through some sleight of hand, this was not previously dealt with in the committee or here in the House. The moral, legal and medical arguments on the issue of abortion are only to be dealt with by Parliament, and always will be. This sleight of hand—this trick—was twice lost this year already and is resurrected—for what reason I can only wonder.

I ask all hon. members of this House to refer to *Votes and Proceedings* of April 23, 1981, to look at the clause put forward by the Conservative Party at that time and to reflect on the fact that it was lost by a vote of 175 to 93. When this was under very intense scrutiny before the joint House of Commons and Senate committee on January 30 of this year, a very similar clause was put forward. However, it included capital punishment, and it also was sufficiently lost during the committee stage.

Where is the capital punishment part of that clause in this amendment, or is it to be the next amendment of the Conservative Party? And where are the other social questions which could also have serious constitutional and legal implications for the interpretation of the charter? I will deal with capital punishment in a moment.

As I said earlier, this is a redundant amendment. The Conservatives say it is to make explicit what they say is, somehow shadily, implicitly taken away from Parliament. That is a crude political portrayal of months of legal argument on this issue. Even though twice lost, the Conservatives have again sought the spotlight, not to settle this issue as they claim but to ask Canadians perhaps to gaze askance at the charter and to set the mood out there that perhaps some of them are going to vote against the package or against some part of it and that somehow the Parliament of Canada is giving over something very vital to the courts.

As I have said earlier, if what they say comes true, there will be ways very early in the future to deal with it. This issue is vested, just as is capital punishment, with the House and with the collective moral conscience of all the men and women elected to this place.

The issue of capital punishment is perhaps not here, as it was on both previous votes, because the Conservative leader himself is opposed to it in principle. Also the attempt is to force the issue of abortion in a new way through the courts through the Constitution. I urge all those listening to this debate in the House to see this for what it is. It is not an attempt by members of the official opposition to clarify what they now call a glaring error in the Constitution but a dangerous play to fire up the Canadian public by calling a concern a shadow, a shadow a vagary and a vagary a reality, and thus a constitutional flaw. History will prove me correct that this staged debate is no more than a fabrication.

I have my views on the issue of abortion, and I have stood firmly by those views through two consecutive elections. Many Conservatives have their views as well, but to use this forum and this debate to put forward their views, veiled in the artificial shroud of fact, is a sad way to respond to this issue and to the fabric of this nation.

The Acting Speaker (Mr. Ethier): Pursuant to an order made earlier this day, it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the amendment now before the House. Is it the pleasure of the House to adopt the amendment?

Some hon. Members: Agreed.

Some hon. Members: No.

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

Some hon. Members: Yea.

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

Some hon. Members: Nay.

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

And more than five members having risen:

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

The House divided on the amendment (Mr. Crombie) which was negatived on the following division:

● (1650)

The Constitution

(Division No. 129)

YEAS

Messrs.

Andre	Fretz	McCuish
Anguish	Friesen	McDermid
Baker (Gander-Twillingate)	Gamble	McGrath
Baker (Nepean-Carleton)	Gurbin	McKenzie
Beatty	Gustafson	McKnight
Bloomfield	Hamilton (Qu'Appelle-Moose Mountain)	McRae
Bockstael	Hamilton (Swift Current-Maple Creek)	Munro (Esquimalt-Saanich)
Bosley	Hargrave	Murta
Bradley	Hawkes	Nielsen
Clark (Yellowhead)	Howie	Oberle
Clarke (Vancouver Quadra)	Hudecki	Ogle
Cooper	Huntington	Paproski
Corbett	Kilgour	Patterson
Crombie	Lambert	Roche
Crouse	Lang	Scott (Hamilton-Wentworth)
Dantzer	Lawrence	Scott (Victoria-Haliburton)
Dinsdale	Lewis	Siddon
Epp	Lewycky	Taylor
Forrestall	Lonsdale	Thacker
Fraser	Malone	Wenman
		Wilson—61.

NAYS

Messrs.

Althouse	Garant	Masters
Axworthy	Gauthier	McCauley
Bachand	Gimaïel	Miller
Bégin (Miss)	Gingras	Mitchell (Mrs.)
Benjamin	Gourd (Argenteuil-Papineau)	Munro (Hamilton East)
Berger	Gourde (Lévis)	Murphy
Blaikie	Gray	Nystrom
Blais	Guilbault	Olivier
Blaker	Herbert	Orlikow
Breau	Hervieux-Payette (Mrs.)	Ouellet
Broadbent	Hovdebo	Parent
Bujold	Irwin	Parker
Burghardt	Ittinuar	Penner
Bussières	Jewett (Miss)	Pepin
Caccia	Johnston	Peterson
Chénier	Joyal	Pinard
Chrétien	Keeper	Portelance
Comtois	Kelly	Prud'homme
Corriveau	Killens (Mrs.)	Riis
Côté (Mrs.)	Kristiansen	Roberts
Cousineau	Lachance	Robinson (Burnaby)
Cyr	Lajoie	Robinson (Etobicoke-Lakeshore)
Dawson	Lamontagne	Rompkey
De Bané	Landers	Rossi
de Corneille	Laniel	Roy
de Jong	Lapierre	Sargeant
Demers	Lapointe (Charlevoix)	Savard
Deniger	Lapointe (Beauce)	Schroder
Desmarais	LeBlanc	Simmons
Dion	Lefebvre	Skelly
Dionne (Chicoutimi)	Lumley	Smith
Dionne (Northumberland-Miramichi)	MacBain	Tardif
Dubois	MacEachen	Tessier
Duclos	MacGuigan	Tobin
Dupont	Mackasey	Tousignant
Dupras	MacLaren	Trudeau
Erola (Mrs.)	MacLellan	Turner
Ethier	Malépart	Veillette
Evans	Maltais	Waddell
Ferguson	Manly	Watson
Fisher	Marceau	Whelan
Flis	Massé	Yanakis
Fox		Young—129.
Fulton		

● (1700)

Mr. Deputy Speaker: I declare the amendment lost.

The House will now proceed to the consideration of private members' business, as listed on today's Order Paper, namely notices of motions, public bills and private bills.

PRIVATE MEMBERS' NOTICES OF MOTIONS

[*English*]

Motion No. 43 allowed to stand by unanimous consent.

* * *

CAPITAL PUNISHMENT

SUGGESTED REINSTATEMENT FOR FIRST DEGREE MURDER

Mr. Gordon Taylor (Bow River) moved:

That, in the opinion of this House, the government should include the follwoing question in the 1981 census:

"Do you favour the reinstatement of capital punishment for deliberately planned murder?"

He said: Mr. Speaker, I placed this motion on the Order Paper on April 30, 1980, with a view to having it debated prior to the 1981 census. It has just now been called, more than a year and a half later, and the census has already been taken. Whether there is any purpose in debating the motion is questionable, but since it has been ordained by the House that private members' hour must go ahead, I suppose I have no choice.

My view of a representative of the people is that he or she, to the greatest possible degree, should reflect the thinking of the people who sent the member to a legislature or to Parliament. My view of a government is that it should reflect the thinking, to the greatest possible degree, of the majority of the people they endeavour to govern.

This is the premise upon which I endeavour to act as the representative of the people of Bow River. I am sure many other hon. members follow the same premise. If a member feels that way, he or she has a responsibility to find out how his or her people feel about various issues and questions. In my own riding I have no doubt because the matters were discussed very definitely at fora. From knocking on some 8,000 to 10,000 doors, I know that a great majority of the people indicated that they wanted capital punishment for carefully planned murders reinstated. Consequently, that is what I believe I should present to the House of Commons. In addition it is my own conviction.

In order to find out how Canadians feel about this matter, I thought there was no better way than doing it through a consensus where practically every Canadian family is contacted, so that they would have an opportunity to say how they felt

in regard to capital punishment. A simple question could have been included on the census paper. It could have read:

Do you favour the reinstatement of capital punishment for deliberately planned murder?

It would not have been difficult for people to answer yes or no to the particular question. However the government did not see fit to bring it forward in time for the 1981 census. All we can do now is discuss the matter after the fact and possibly have the question included on the next census.

We have some indication as to how the people of Canada feel. The Government of Canada does not prepare legislation on the basis of one constituency. It prepares its legislation on the basis of the majority of the population. There are different ways to find out how people feel. It can be through the representations of every Member of Parliament or through Gallup Polls.

● (1710)

I want to refer briefly to what the people of Canada have said to the government about capital punishment. I do not intend to discuss the merits or demerits of capital punishment to any great degree at this time, but I will endeavour to show that governments should reflect the thinking of the people. The people have spoken very, very clearly. I do not believe in the totalitarian philosophy—that the government knows best; that the government should tell the people how they feel; that the government should tell the people what is good for them. I do not believe in that philosophy at all. I believe that the government should find out what the people at the grassroots think and then reflect that thinking in the laws of the country.

I think every party pays attention to the Gallup poll, so let us examine the polls for the last few years to see what they show is the concerted thinking of the people on this particular topic. The publication "The Gallup Report" of August 6, 1977, begins as follows:

In spite of the fact that Parliament voted to abolish capital punishment last summer, a large proportion of the Canadian electorate still are in favour of this form of punishment.

Today, 75 per cent favour the death sentence for the killing of a prison guard or an on-duty policeman; while almost as many Canadians (74 per cent) would like to see it for murders committed by terrorists. Somewhat fewer, but still a solid majority (68 per cent) favour capital punishment for the killing of any innocent person.

The people of Canada spoke very loudly and told Parliament that they did not support the law that had been passed a few months previously. The report shows that people feel very strongly about the murder of prison guards and policemen. Today, 75 per cent to 80 per cent of people feel that if a prison guard or police officer is killed in the course of duty, the murderer should suffer death as well. The report showed that for the murder of any innocent person, a child or a woman or an elderly man, 68 per cent to 69 per cent of the people felt that capital punishment should be imposed.

On April 19, 1978 "The Gallup Report" began as follows:

When questioned about a recent suggestion that a referendum be held on the issue of capital punishment at the time of the next federal election, over eight-in-ten Canadians said they would favour such a vote; 12 per cent opposed it—

The people had said that the government was passing legislation with which they did not agree and that they wanted to have a way of telling the government how they felt. The following question was posed:

Would you yourself be in favour or opposed to a vote being held on the issue of capital punishment?

The response was 82 per cent in favour of a vote. In effect, the people said that they wanted to tell the government how they felt. The response was broken down into age groups. Many people feel that the young people are opposed to capital punishment but the response showed that in the age group 18 to 29, 80 per cent wanted the right to tell the government how they felt; in the age group 30 to 49, it was 81 per cent and for 50 and over it was 84 per cent. So across the board, more than 80 per cent of the people thought that the government should let them say how they felt about capital punishment for deliberately planned murder.

In 1979 the same question was asked, "Do you favour or oppose capital punishment (a) for the killing of a prison guard or on-duty policemen?" The response was from 70 per cent to 79 per cent in favour. For the killing of any innocent person the response was 68 per cent to 69 per cent in favour of capital punishment. The questionnaire also dealt with terrorists but I will not go into that. In 1979, however, more than 70 per cent of the response favoured the reinstatement of capital punishment for the killing of a police officer or prison guard and almost 70 per cent favoured reinstatement for the deliberate killing of an innocent person.

On March 25, 1981 "The Gallup Report" began as follows:

There has been little change over the past two years in the attitude of Canadians towards the death penalty. Today, 73 per cent favour it for the killing of a prison guard or on-duty policeman; 74 per cent for terrorists; and 67 per cent for the killing of any innocent person.

Let us analyse the results, Mr. Speaker. For the killing of a prison guard or an on-duty policeman the response was 70 per cent to 73 per cent in favour with only 7 per cent not having an opinion; for the killing of any innocent person the response showed that 67 per cent or 68 per cent of people wanted the death penalty brought back for those who kill our little girls, our little boys, our elderly people—sometimes for their own lust and gratification. The people had spoken again in 1981.

Throughout these Gallup polls in which many people place a lot of faith, it has been shown that the people are consistent in asking for the return of capital punishment for the deliberate murder of prison guards, on-duty policemen or any innocent person. Apparently the government will not listen to what the people have to say.

In his householder of January, 1981, the hon. member for Peterborough (Mr. Domm) asked whether constituents favoured the imposition of capital punishment for premeditated first-degree murder. The response showed that 87.2 per cent of those polled asked for the return of the death penalty. The result was broken down into urban and rural categories showing the response of adults and of youths.

I think the people of Canada have a right to expect that the government will reflect their thinking. More than two thirds of all the polls indicate that the people of Canada want the return of capital punishment.

There was an ideal opportunity to get the opinion of almost every Canadian on this subject had my motion been brought forward prior to the 1981 census. The question "Do you favour the reinstatement of capital punishment for deliberately planned murder?" could have been included in the census form. The response would have given the government an indication of how the vast majority of people in Canada feel about this important subject. The government was not prepared to include that question, however, so we do not have the information. It would have been a more sensible question than asking how many bathtubs are in a house.

A few years ago when I was in provincial politics I conducted a poll through public meetings. After debating both sides of the question results showed that 82 per cent of the people at those meetings, from all political parties, favoured the reinstatement of capital punishment.

● (1720)

Today, crime is running rampant and violent crime is becoming all too prevalent throughout the country. The elderly, and particularly elderly women, are afraid to walk outside after dark in some of our cities. We are more concerned with treating the criminals justly than we are concerned with the victims. The rights of law-abiding citizens seem to be eroding with the increasing leniency toward crime, prison sentences and punishment.

Some people say that we should not worry because those who commit hideous sexual crimes, particularly those against little boys and girls, will be killed by fellow prisoners. That is a great way to have justice! The country should face its own responsibility! When someone commits a crime, such as the one where a little girl was terribly abused and then killed, surely that is deliberate murder and it should not be condoned.

People should not be put into prison for 20 years and then released. There are many cases where people have been in prison once, twice or three times, and they have come out and killed someone else. That is not justice, in my view. It is not the type which gives people a sense of security.

I consider, for example, the heinous crime committed in my own constituency last year. I appreciate the tremendous concern expressed by the Solicitor General (Mr. Kaplan). Perhaps all the cabinet ministers were concerned, and I believe I can say that every hon. member in the House was concerned. That little girl was taken out under there pretext that she was to babysit, and her parents never saw her alive again. Who knows what she went through in those hours before the monster who took her, tied rocks to her and sent her to the bottom of a lake in southern Alberta? He is still running at large. If he is apprehended, there will be the bleeding hearts who will say, "Oh, poor man. He is sick". He was so sick to have planned, deliberated and committed a crime that he does not deserve to live.

It is time we took this type of crime seriously. Sixty six per cent to 90 per cent of the people of Canada cannot be wrong. We are asking the government to take cognizance of and give recognition to what the people of Canada are saying in regard to reinstating capital punishment. Let us show that if criminals murder, deliberately, they have no right to life themselves.

Some hon. Members: Hear, hear!

Mr. Taylor: Let us not put them in prison for nine, ten or 20 years and then let them loose again so that they can commit the crime all over again. That is not justice, in my view.

We are now providing conjugal visits, at the expense of the taxpayer, for prisoners with life sentences. We are letting people with life sentences get out on parole among the public. It is no wonder that parents are concerned about what will happen to their children.

I said that I would not deal with the merits and demerits of capital punishment to any great degree, and I do not plan to do so. However, I want to say that crime is reaching high proportions in this country and that it is high time the government started to listen to what the people of Canada are saying.

Some hon. Members: Hear, hear!

Mr. Gilbert Parent (Welland): Mr. Speaker, I join in this debate because I was one of the Members of Parliament, along with many of my colleagues, who were present in the House at the time this vote was taken. I can recall that for some 18 months prior to the vote, there was not a time when I could go home on the weekends and talk to my constituents or, for that matter, even to people around the Hill, who did not have very strong opinions about capital punishment.

If I could address myself directly to the motion, it is surely out of order in the sense that nothing can be done about the 1981 census. The intent of the motion is to have the people of Canada generally decide whether there should be a return to capital punishment. I question whether this type of query should be answered by way of a census. If this question is put to the people, should we not also have a question on abortion? Should we not also have a question on euthanasia? Should we not also question people on to the use of nuclear power? Surely, if anything were to go wrong there, it would mean the loss of thousands of lives.

I think that once we start putting these questions by way of a census, we must have some kind of an idea as to why we would take a census. Would it be to get opinions from people, or hard facts? Why should we obtain these facts from a census? Surely, it would help us to view the make-up of our country.

If we want to get the opinions of the people of Canada, we can do that through an election. We in the House of Commons are the spokesmen for our regions throughout the country. As we have all been present in the House in these last hours, and as so many people are here listening to our words of wisdom, I would point out that we will probably be influencing everyone who is in the House of Commons. Indeed, if I were simply to

influence half the people present and get their agreement, I am sure it would go a long way toward showing the people of Canada just exactly what is thought of the motion which has been raised, and, perhaps what is generally thought of the private members' hour.

However, I wish to address myself in part to the issue of capital punishment itself. The hon. member for Bow River (Mr. Taylor) spoke earlier about Gallup polls and polls which he had taken in his own meetings where people of various political persuasions were present to give their opinions. Perhaps I could share with him and with all my other colleagues in the House the results obtained when I took such a poll. I was the Member of Parliament for St. Catharines at the time. I prepared and sent out a questionnaire for householders. At the time, there were 40,000 householders in my riding of St. Catharines. It should be kept in mind that this was the most pressing problem for most of the people of Canada, and it was the one issue my constituents wanted to discuss with me on the weekends when I went home. This was the issue which, in its intensity and importance, took up virtually all of the waking time of some people.

I sent out my questionnaire to the people of my former riding so that they could share with me in making this decision. Out of 40,000 questionnaires which were sent out, the grand total of 2,255 people shared with me their perception of capital punishment. It amounted to less than 8 per cent. Only 7.3 per cent of the people who were sent questionnaires took the time to let me know what they were thinking when they had the opportunity to respond to their Member of Parliament.

We could agree, but then say that if we decide on the census, it would force the people to answer. Perhaps it would. Capital punishment was a burning issue at the time I sent out the questionnaires. I ask myself and hon. members here, is this the way we should conduct ourselves? Is this the way that such a very important question should be decided, by poll results? Or should we view the question in the quietness and solitude of our own minds and consciences? Can the state take the life of one of its citizens? Do we have the power to play God? Shall we decide who deserves to live and who does not?

I personally believe that the state does have the right to take a human life. The conditions I laid out then have not changed for me. I voted in favour of capital punishment then because long ago, when I was in university, I learned in the study of apologetics that for a person to be truly responsible for an act, he must, first of all, know that the act is wrong. I agree with the hon. member. If the man deliberately, wholeheartedly, coolly and methodically plans a murder, he must know it is wrong. First, he must know the deed is wrong. Second, by wanting to commit murder, he has exercised his will, knowing the deed is wrong yet wanting to carry it out. Third, he plans his crime over a long period of time. I can hear the question, how long is the period of time. I say, long enough for someone to plan a sequence of events leading to such a hideous crime. Finally, the crime must be committed. There are four steps. Those are the four conditions which, as said, if they exist, then that individual who knowingly, wilfully, methodically, carried out a murder whether against a young girl, a young boy or an older person, it does not matter, against another human being, has forfeited his right to live in this society. After proving beyond any shadow of a doubt that this crime was planned, perpetrated and finally committed, after due process of the law and recourse to the courts of appeal and after all the demands for mercy have run out, I believe now as I did before that the state has the right to take a human life.

• (1730)

I have looked at other facts aside from recognizing the logic of this conclusion. Many times I have heard that the lives of murderers should be taken because they will kill again. But what are the facts to support that? From the time that England abolished capital punishment until January 1975 we know that 308 men and women were tried and convicted of first degree murder. To wilfully plan and commit murder carries the ultimate charge of murder in the first degree.

But these 308 men and women in England convicted of first degree murder evidently were not hanged. They were not put to death. How many of them committed murder again? If 300 of them committed murder a second time, then we must conclude that they should have been put to death. If 200 of them committed murder a second time, then we should conclude that because over 50 per cent committed murder a second time, they should be put to death. And if only ten committed murder a second time out of a total of 308, then 298 did not do it a second time.

From the figures I quoted at the time I spoke on capital punishment and declared my stand on the issue, of the 308 men and women who had been convicted of murder in England up to January, 1975, one, and only one, committed murder again. Yet 307 other men and women would have been put to death as well. What happened to them? I do not have the case histories of them in front of me. I know that a number of them, I think of three in particular, who were convicted of murder wrote books giving us an insight into their lives before the crime and into their lives in prison. I know that these people, who are not among us now, experienced a great change in their lives.

I am not for one moment saying that we were right to give them a second chance, but I am saying there might be a doubt in our minds about these people who commit heinous crimes that they are beyond redemption in the sense that they are beyond doing any good for society.

Since voting on this issue, I have had a great deal of time for second thoughts. The other day the Solicitor General (Mr. Kaplan), when he was asked a question in this House as to whether capital punishment would again be considered, quoted a figure which surprised me. He said that the number of murders committed in Canada had declined on a year-to-year basis since the abolition of capital punishment. What do we conclude from that? Do we conclude that the action we took in abolishing capital punishment has convinced more people not to commit murder? I do not know.

[*Translation*]

I wish I had the answer to all those questions. Mr. Speaker, when, for some reason or other, men and women take away the life of one of their fellow citizens, we really have no idea what was going on in their mind when they committed their crime. We must ask ourselves whether or not, in some way or other, it may not be that society, the type of life they led, programmed them to commit their crime. Four or five months ago, I met five men all members of the same family. Thank heavens, none of them had committed murder. Yet, the five brothers were in prison at the same time. One must wonder why they were in jail, all at the same time. Could it be because of their home life? Because of the environment in which they grew up, perhaps the school they attended? What motivated them? If only we had the time, perhaps we could change the situations which lead people to commit this or that crime.

[*English*]

If I can return to the question itself, Mr. Speaker. The motion put forward by the hon. member for Bow River (Mr. Taylor) is simple. He asks that the question be included in a census. I have asked myself, I have questioned the hon. member for Bow River as well as my colleagues, whether this is the way to go about getting the information we seek. I wish I had a nice easy answer and I wish I could say to the hon. member that he is dead wrong. I wish I could say to him that he should not suggest seeking the answer that way. But if I say that, then I have to come up with a better way to glean the answer. I do not know if it is a better way in the sense that we will get a real answer, but I think the system we have devised for members such as ourselves is to get as much information as we can. But more than that, we should get all the information we can through reading and by listening to the debates here, then after struggling with our consciences, decide, each one of us individually, if the state does have a right to take a life. Perhaps then we would come to a decision which would be best for the individual concerned, ourselves as legislators and, indeed, the citizens of Canada.

● (1740)

Mr. Peter Lang (Kitchener): Mr. Speaker, I would just like to repeat that the motion we are debating once again brings capital punishment to the attention of hon. members. The hon. member for Bow River (Mr. Taylor) moved:

> That, in the opinion of this House, the government should include the following question in the 1981 Census:
>
> "Do you favour the reinstatement of capital punishment for deliberately planned murder?"

As the previous speaker has pointed out, the question really is out of order because obviously the 1981 census has been taken. I found that the question was put on the Order Paper in April, 1980. Perhaps the next time it would behoove the hon. member for Bow River to put in a clause to cover the possibility of a similar situation arising, because if his motion is dated, there is a chance it will be irrelevant. Nevertheless, I think the hon. member has made some points and put forward some issues which deserve consideration.

I sense in my constituency a growing concern that there is more emphasis being placed on the rehabilitation of an individual who has done physical damage to another individual than on the victim, in some cases a victim who has lost his life. There is no amount of rehabilitation, psychiatric treatment, pill or anything that can return a life. I sense in my constituency the feeling that in society as a whole we have lost this balance.

I should like to address this problem as I feel there are two major areas in which we can improve the situation. First, there should be better methods of protection for the general population from those who have already shown, by their deeds, that they are capable of physical harm to another person. I would give as an example the individual who has committed rape upon a child, or some other horrendous deed, and where it has been shown there is an associated mental disorder.

Unless evidence is produced through the medical community, or that community which deals with criminology, that this pattern of behaviour can be changed, and no such evidence has been produced, then I think it is incumbent upon those who make the laws in our country, that is hon. members here and in the legislatures, to ensure that such individuals not be allowed back into society. The reason I say that is the probability that such an individual will commit the same kind of crime. We know there is no cure for the mental condition exhibited by the individual who commits the kind of crime I have just described. We know that no amount of rehabilitation can eradicate that kind of behaviour on the part of an individual who has demonstrated the ability to commit that kind of crime, the rape of a small child and murder. I have referred to that example because that was the example given by the hon. member for Bow River (Mr. Taylor). I feel society has the right to be protected from this type of individual when it has been established that there is a mental disorder which allows the commission of such violent acts.

It is time we made our views strongly known to the provincial governments which have the responsibility of enforcing existing legislation, such as the Criminal Code. Unfortunately many people feel the federal government is the enforcer of such legislation. In point of fact, the responsibility for the enforcement of the law in most criminal areas lies with provincial governments and those judges who handle most of these criminal cases.

Let me refer again to this matter of protection. A previous speaker suggested that the number of murders had decreased since the removal of capital punishment. I think we have to look with some suspicion at that statistic. I have discussed this issue with judges and lawyers in my area. I have learned that the number of murders shown by the statistics is not the same as the number of murders actually committed. First of all, there is the matter of charges being reduced from murder to manslaughter and, secondly, there are the not-obvious murders. An example would be the individual who decides to murder someone and then commit suicide by getting into a car and hitting another car head-on. There is a whole spectrum of murder from those that are not obvious through to the cold-

hearted, deliberate murder described by the previous speaker. It is quite difficult to use statistics in relation to murder to come to any conclusion about capital punishment.

What we really want to do is to establish in Canada a social milieu in which we have as few murders as possible. How can we do that? This brings me to the second major area I want to discuss, and that is the area of prevention. I think one thing we can do in order to achieve this goal is to stress the importance and value of human life and its first priority over anything else in our society. We can talk about this, but the fact is that in many little ways, which mount up to a big way, we put material things far ahead of respect for and value of human life. This involves a challenge not just for politicians, educators, teachers, professors and those engaged in business and labour, but for all Canadians, the challenge to reassess their values. Human life is at the apex.

● (1750)

The last point I would like to make on this issue is that I am concerned. I do not think it is idle talk to be speaking of the value of human life at this time. I believe that at this time in history it is one of the most important subjects we should be talking about.

The value of human life must become a political issue, especially when I hear the President of the United States talking about the feasibility of a limited nuclear war involving the deaths of 100 million people or talking about the feasibility of pressing the button first to start a nuclear war. I hear of military strategists saying they may lose 100 million people in a war but they will win it because it is worth it. This is an issue which people should consider when electing their leaders.

Mrs. Céline Hervieux-Payette (Parliamentary Secretary to Solicitor General): Mr. Speaker, it is indeed a pleasure to speak after my two colleagues from Welland (Mr. Parent) and Kitchener (Mr. Lang) on this important subject. I think it is pertinent to remind the House that we are discussing, of course, an obsolete motion and that because of the wish of the member for Bow River (Mr. Taylor)—

Mr. Taylor: Mr. Speaker, I rise on a point of order. It was not my wish that this come today. There was another motion which was proposed—

The Acting Speaker (Mr. Ethier): Order, please.

Mr. Taylor: Do not put the blame on me. The government—

The Acting Speaker (Mr. Ethier): Order, please.

Mrs. Hervieux-Payette: To come back to the motion, and the purpose of the motion at the time it was tabled in April, 1980, I myself believe it amounts to governing by census. As my colleague from Welland pointed out earlier, it would be a strange way for us to start governing by sending confidential questionnaires throughout the country after thorough consultation by all parties who are using these figures. In fact, every party has the opportunity today to take polls on all issues. This particular issue, of course, is certainly being discussed.

Nevertheless, the subject matter before the House today and in the past weeks centered more on the constitutional motion than on other subjects, and I was proud of the vote taken in the House on several amendments, including the provisions on equal rights for women and the rights of the aboriginal people to be entrenched in the charter. I would remind members that these rights were initially in the charter.

To speak to the motion, Mr. Speaker, I was elected to be part of this Parliament, and this Parliament is here to legislate by respecting the opinions of each of our constituents. There are different views on the role of Parliamentarians. I see my role as representing not only the views of my constituents but also my own. My constituents know what I stand for, they know what I campaigned for and they know the platform of my party. I trust that they elected me because of these reasons.

Earlier today there was a vote on an amendment submitted by the hon. member for Bow River to amend the constitutional resolution by adding a provision on abortion.

Mr. Taylor: Mr. Speaker, I rise on a point of order. I did not move any motion about abortion. Surely the hon. member should know that the government calls these, not the opposition. Why does the hon. member not speak to the motion? I offered to withdraw it. She would not go for it. She wants to make a speech. She has not even prepared a speech. She is talking about the Constitution. What is the matter with this Liberal Party?

The Acting Speaker (Mr. Ethier): Order, please.

[*Translation*]

Mrs. Hervieux-Payette: Mr. Speaker, I shall now come back to the issue which concerns us, namely the basic question of individual rights. As a matter of fact, when we talk about capital punishment, I believe that we are dealing with rights, or at least the first right of any individual, the right to life. And when a vote was taken this afternoon seemingly to clarify the constitutional issue, we were once again playing a political game aimed at leading the Canadian people to believe that you can sit on the fence where this issue is concerned.

Mr. Speaker, I do not think that our party has ever sat on the fence when it comes to such fundamental issues as individual rights. This is why, when we are dealing with such important matters as the power of a Parliament to take away the life of individuals, I believe that we should do so with a great sense of responsibility without trying to score political points. And for those of my constituents who are not anglophones, I repeat that I find it very strange to use a census, and the next one will probably be in 1986 if we follow the usual procedure, to ask the voters of the Montréal-Mercier constituency if they are for or against an issue which deals with the conscience of every Canadian. I would like to explain the purpose of a census and the reasons why, in fact, such an issue should not be raised during a census.

First there were technical questions when the matter was raised; the questionnaire had already been finalized and approved by order in council, in February. Therefore, when the member submitted his question, it was already too late to have it included. Mention must first be made that since this questionnaire is sent out to every family across Canada, even though the full questionnaire is sent to a smaller sample, this involves millions of copies that have to be made, prepared and printed.

Anyway, Mr. Speaker, when a census is prepared, questions and objectives cannot be changed without serious thinking. It is very important, in view of the number of people that are to be surveyed across this country, to also consider the needs of all the people in this country who use the results of the census.

I would like to refer to the scope of the questionnaire. Because more than 8 million families, distributed over an area of more than 9 million square kilometers, have been reached. Some 39,000 temporary workers are hired to collect the information from the people. Provision has also been made for combining the farm census with the general census. Therefore, 340,000 farmers have also been reached. This is no small task, no work that leaves—

[*English*]

Mr. Taylor: Mr. Speaker, I rise on a point of order. There are only four members in the House. We do not have a quorum. I move that we adjourn.

The Acting Speaker (Mr. Ethier): If that is a motion, it should be in writing.

Mr. Taylor: I can write it.

An hon. Member: Call it 6.05.

The Acting Speaker (Mr. Ethier): Is it agreed that we call it 6.05?

Some hon. Members: Agreed.

The Acting Speaker (Mr. Ethier): It being 6.05 p.m., this House stands adjourned.

[*Translation*]

It being five o'clock, this House stands adjourns until Monday next, November 30, 1981, at 2 p.m., pursuant to Standing Orders 2(1) and (3).

At 6 p.m. the House adjourned without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Monday, November 30, 1981

The House met at 2 p.m.

• (1405)

ROUTINE PROCEEDINGS

[*English*]

THE BUDGET

ADVICE TO REFER TAX REFORM ELEMENTS TO PARLIAMENTARY COMMITTEE—MOTION UNDER S.O. 43

Miss Pat Carney (Vancouver Centre): Madam Speaker, this past weekend in Toronto at the Liberal Party policy convention, the delegates put forward a proposal that was first suggested in this House last week by the hon. member for Etobicoke Centre (Mr. Wilson). The delegates moved that the budget provisions dealing with the closing of so-called tax loopholes be referred to a committee of this House for further study. Since this motion was defeated by only six Liberal votes, I move, seconded by the hon. member for Vancouver South (Mr. Fraser):

That the Minister of Finance accept the advice of members of both his party and the Conservative Party and send the tax reform elements of the budget to a parliamentary committee for closer examination.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

THE ECONOMY

SUGGESTED SHORT-TERM GOAL FOR GOVERNMENT—MOTION UNDER S.O. 43

Mr. Bill Domm (Peterborough): Madam Speaker, at a weekend policy convention of the federal wing of the Ontario Liberal party, according to *The Toronto Sun,* resolution No. 1 urged the government to reconsider very strongly the present budget which will increase taxes, fuel inflation, and cause higher unemployment. I feel confident, therefore, that the party colleagues of the Ontario wing, across the floor, will endorse the motion passed in Toronto and moved now in the House by me, seconded by the hon. member for Brampton-Georgetown (Mr. McDermid):

That, to quote the motion, "Because high-interest rates are inflicting intolerable hardship on home owners, hurting the vital interests of small business, driving up farm operating costs and inhibiting economic growth," the government should select, as a short-term goal, programs to provide for victims of high-interest rates and, in the long term, should abandon its policy of high interest rates and find other ways to bolster the dollar and fight inflation.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

SOCIAL SECURITY

ASSISTANCE NEEDED TO BRING PENSIONERS ABOVE POVERTY LEVEL—MOTION UNDER S.O. 43

Mr. Neil Young (Beaches): Madam Speaker, I rise under the provisions of Standing Order 43. In view of the fact that the November 12 budget will net the federal treasury $1.4 billion in the next fiscal year, and the energy deal with Alberta will bring in another net of $2.3 billion, and yet the government claims it can do nothing to improve pension incomes, I move, seconded by the hon. member for Hamilton Mountain (Mr. Deans):

That this House directs the Minister of Finance to get his priorities straight and find the $730 million needed to bring all pensioners above the poverty level from this $3.7 billion windfall, so that retired Canadians can spend the balance of their lives in financial dignity.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

THE BUDGET

CALL FOR RESCINDING OF PROVISIONS—MOTION UNDER S.O. 43

Mr. Gordon Taylor (Bow River): Madam Speaker, the rank and file of the Liberal party in Ontario, frustrated with the quiet acquiescence of their Liberal MPs in the House of Commons who are supporting everything in the MacEachen budget and are afraid even to say boo to the government, rose up in anger this last weekend, and declared in a resolution that the budget discouraged risk-taking and job creation, did not reduce inflation but merely increased taxes, the very things the Conservatives have been saying long, loudly and clearly. I

therefore move, seconded by the hon. member for Peterborough (Mr. Domm):

That this House has no objection to the Minister of Finance killing the Liberal party in Ontario—the sooner the better as it is the only place outside of Quebec where there were Liberals in any number—but strenuously objects of these policies which are choking the life out of the Canadian nation, and demands that these anti-incentive policies which are increasing unemployment and doing nothing to reduce inflation, be rescinded at once.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

PROVISIONS AFFECTING LIFE INSURANCE DIVIDENDS—MOTION UNDER S.O. 43

Mr. Thomas Siddon (Richmond-South Delta): Madam Speaker, the government's plan to tax dividends credited to life insurance policies is extremely unfair to older Canadians who will in future be liable for thousands of dollars of income tax every three years, even though the accumulating dividends are not actually received by policyholders as income. I therefore, move, seconded by the hon. member for Surrey-White Rock-North Delta (Mr. Friesen):

That the Minister of Finance be directed to rescind his regressive decision to tax unrealized income arising from dividends credited to life insurance policies, because this unfair measure imposes a rapidly escalating tax burden on life insured Canadians, especially those in their senior years who can ill-afford to pay thousands of dollars of additional income tax every three years.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

HEALTH

FUNDING FOR ONTARIO HOSPITALS—MOTION UNDER S.O. 43

Mr. Ian Deans (Hamilton Mountain): Madam Speaker, you will have no doubt noticed on the weekend that the president of the Ontario Hospital Association has indicated that Ontario hospitals are facing a financial crisis and in fact patients who normally would have to wait two to three days for urgent surgery are likely to have to wait ten days or two weeks. I therefore move, seconded by the hon. member for Beaches (Mr. Young):

● (1410)

That this House state its concern with the threat to health service in Ontario posed by federal and provincial budget cuts, and further that this House instruct the federal Minister of National Health and Welfare to initiate discussions with her provincial counterpart so that the people of Ontario will be sure their health care system will be maintained and protected by both levels of government and that no person in need of hospital care will be denied access to hospital as the result of inadequate funding.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

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THE COLLEGE BOWL

ACADIA AXES ALBERTA—MOTION UNDER S.O. 43

Mr. Pat Nowlan (Annapolis Valley-Hants): Madam Speaker, my motion under Standing Order 43 is of urgent and pressing necessity and results from some activity this past weekend. On Saturday last the College Bowl crowned new Collegiate Football Champions when the Axeman from Acadia chopped the claws of Alberta's Golden Bears—

Some hon. Members: Hear, hear!

Mr. Nowlan: —showing again that small is beautiful and quality of play often produces more points than quantity of players. Therefore I move, seconded by the hon. member for Halifax (Mr. Regan), the minister responsible for fitness and amateur sport:

That this House compliment all those who participated with such energy and enthusiasm in a truly Canadian event, the College Bowl, commiserate with the losers along the way, and congratulate the new Collegiate Bowl champions, the Acadia Axeman from Wolfville, Nova Scotia.

Madam Speaker: Does the House want to applaud this motion?

Some hon. Members: Hear, hear!

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RAILWAYS

CALL FOR PURCHASE OF HOPPER CARS TO ASSIST IN MOVEMENT OF GRAIN—MOTION UNDER S.O. 43

Mr. Stan J. Hovdebo (Prince Albert): Madam Speaker, I rise under the provisions of Standing Order 43. Whereas all the individuals and institutions involved in the movement of western grain have agreed that 1,300 new hopper cars are needed to be added annually to the grain fleet, I move, seconded by the hon. member for Humboldt-Lake Centre (Mr. Althouse):

That this House instruct the government to immediately proceed with the purchase of 1,300 hopper cars to assist in the assured movement of grain to export.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

VETERANS AFFAIRS

SUGGESTED REFERRALS TO STANDING COMMITTEE—MOTION UNDER S.O. 43

Mr. Dan McKenzie (Winnipeg-Assiniboine): Madam Speaker, I rise under Standing Order 43. The Standing Committee on Veterans Affairs has met for a grand total of one and one half hours for the entire year of 1981. I move, seconded by the hon. member for Peterborough (Mr. Domm):

That when the McCracken Report is completed it be immediately referred to the Standing Committee on Veterans Affairs along with the Auditor General's report, the Public Accounts Committee Report, and the Senate Committee Report, all of which condemn the government for its failure to meet the needs of Canadian veterans. At the same time, controversial issues such as the Hong Kong veterans' parasite disease could also be dealt with in as many meetings as it takes to solve this long list of serious problems.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

ORAL QUESTION PERIOD

[*English*]

FISHERIES

CONDITION OF ATLANTIC FISHING INDUSTRY

Hon. John A. Fraser (Vancouver South): Madam Speaker, my question is directed to the Minister of Fisheries and Oceans. Given the fact that the Atlantic fishing industry is in serious trouble, and given the fact that some people are predicting a complete economic collapse by early summer, does the minister have any specific plans to offer his provincial counterparts at their December 4 meeting? Does he have any hope to offer, whatsoever? Does the minister have any sort of coherent strategy to meet this disaster in Canada's Atlantic coast?

Hon. Roméo LeBlanc (Minister of Fisheries and Oceans): Madam Speaker, the causes for the problems are not simple; in fact in some cases they are not very much related. As I have said before in this House, the failure of the inshore fishery is a phenomenon of a very cold water situation, and the fish did not move inshore. That has caused some fishermen a considerable amount of difficulty.

The second problem is caused by slowdown in the foreign markets, particularly in the United States, where the consumption of fish has dropped and where Canadian exports have slowed down. American brokers are buying only as much as they need because of their high interest rate situation. Of course they must maintain the inventory that they buy from us.

The third problem we are hoping to solve is the allocation of the resource, mainly to the large offshore trawlers which fish in January. They should not race for the fish, but fish in an orderly way which would allow them to put into market products the fish which is saleable, and not the eternal cod block, which is plugging the system at the moment.

• (1415)

REPORTED PROPOSAL TO REDUCE NUMBER OF EXPORTERS

Hon. John A. Fraser (Vancouver South): Madam Speaker, the minister offers faith with very little hope. I might turn to another subject. The minister has said that interest rates and fuel costs are merely "irritants"—that is the word the minister used recently—to the industry, and he says that he cannot do anything about it. But he also threatens legislation to restrict the number of people exporting fish from Canada. Can the minister tell this House whether that legislation is aimed at cutting the total volume of exports, or is it aimed at kicking exporters out of the business?

Hon. Roméo LeBlanc (Minister of Fisheries and Oceans): Madam Speaker, the last part of the hon. member's question amazes me. In the interview to which the hon. member was referring in the first part of his question, I was comparing the fact that Canadians catch 90 per cent of their fish within the 200-mile limit. Therefore the cost of fuel, in Canada's case, is considerably lower than the cost of fuel for some of our competitors. This government has maintained the cost of fuel for Canadian fishermen and other users below international levels.

On the question of orderly marketing, I am amazed the hon. member understands that orderly marketing means the removal of people from foreign markets. We are trying to prevent what happened last winter when some companies dumped fish below cost in our traditional markets and weakened our position.

Mr. Crosbie: That is twaddle.

PRE-BUDGET DISCUSSIONS

Hon. John A. Fraser (Vancouver South): Madam Speaker, I would point out to the minister and to members of the House that in a speech the minister made in early October on the question of restricting the number of exporters, he said:

On this point, I am not only saying there should be fewer people exporting fish from Canada, I am saying there will be. It can be achieved either on a voluntary basis or through legislation—

I just want to bring to the minister's attention that I have not misinterpreted his words. They are there in black and white. But I want to point out to the minister, through you, Madam Speaker, that there is nothing in the budget to help the fishery on the Atlantic coast. There is absolutely nothing, despite the fact that we have five ministers from the Atlantic provinces, including the Minister of Finance, who come from ridings that are primarily associated with the fishing industry. Was there no discussion at all to put something in the budget

to help the present alarming situation on the east coast fishery?

Hon. Roméo LeBlanc (Minister of Fisheries and Oceans): Madam Speaker, when I indicated that there would be fewer exporters, I meant there would be a consolidation of our effort and there would be order in the way we market our fish.

On the second issue, the measures in the budget which favour unincorporated small businessmen—and the budget says so—apply to fishermen and farmers who are in difficult financial situations. However, I am afraid that the problems we are facing in the Atlantic fishery right now are problems that have been building up since 1977 when we inordinately increased the amount of the processing capacity on the east coast. I am afraid those chickens are now coming home to roost.

QUERY RESPECTING MINISTER'S PLANS

Hon. James A. McGrath (St. John's East): Madam Speaker, I have a supplementary question for the Minister of Fisheries and Oceans. I must express my concern to him over his failure to react positively to this serious situation. He realizes, of course, that because of the weakening of some European currencies in relation to the U.S. dollar, and because of changes in consumer habits in the U.S. market, this has resulted in high inventories, low prices, and with it the inflationary situation which has driven up costs in this country. That has resulted in some companies, indeed, one of the major companies being under virtual control of the banks. We have the situation of Bay Street calling the shots in a major segment of the Atlantic industry.

Instead of the minister standing in his place musing and philosophizing and trying to attribute blame to everyone but himself, surely we are entitled to expect some action from the government. What does the minister intend to do to avert what will be a serious crisis which could result in a complete shut-down of the industry? It is the minister's responsibility to do something about it.

Hon. Roméo LeBlanc (Minister of Fisheries and Oceans): Madam Speaker, before the hon. member asked his question, another hon. member said, "You, were the minister". I am afraid that I have to remind hon. members across the way, in the event they do not know, that the issuing of permits to open fish plants is a provincial responsibility—

Mr. Crosbie: Helped by DREE.

Mr. LeBlanc: —and I have systematically opposed the increase of processing capacity since 1976.

Mr. Crosbie: What about DREE?

Mr. LeBlanc: In fact in many cases DREE, at my suggestion, refused to put DREE money into expanding processing capacity. It is the friends of hon. members across the way, particularly the Minister of Fisheries for Newfoundland, who have allowed the province to increase the processing capacity of that province by 230 per cent. I am afraid that is a problem for which I am not responsible.

• (1420)

As for the other matter raised by my hon. predecessor, I would say that the Fisheries Prices Support Board has addressed this matter and has made recommendations to the government. We are looking at those recommendations. One recommendation the board made very loudly and very clearly is that we should not simply put money in a band-aid solution, because the problems are considerably deeper than those requiring band aid treatment.

MEETING WITH PROVINCIAL MINISTERS

Hon. James A. McGrath (St. John's East): Madam Speaker, I am sure the Atlantic governments, the fish processors and the fishermen would accept anything from the minister in the way of leadership. Maybe the minister will be prepared to answer this question. Why has he refused consistently to meet with the Newfoundland government about this critical situation, unprecedented in the history of the industry, when he knows very well there are 5,000 jobs at stake and that the shots are not being called by the Minister of Fisheries for Canada, who has a responsibility, but by the banks, and that is an intolerable situation?

Hon. Roméo LeBlanc (Minister of Fisheries and Oceans): Madam Speaker, I hope to meet with the minister of fisheries for Newfoundland and other Atlantic ministers either Friday or next Monday. There have been contacts between senior officials of my department and representatives of the government of Newfoundland right along.

I might say on the question of the banks that in some cases we advised against plants being opened because we knew that the stocks could not sustain increased capacity. DREE in some cases has not associated itself with the financing of new operations. I know of one case in particular where the bank felt it could put $7.5 million on the table, against the warnings of my department and the warnings of DREE. If the banks have enough money that they want to spend it that way, I am afraid that is their responsibility.

* * *

HOUSING

REPORT OF MINISTER'S REPRESENTATIONS IN FAVOUR OF ABANDONMENT OF RENT CONTROLS

Mr. Edward Broadbent (Oshawa): Madam Speaker, I have a question for the Prime Minister regarding his evaluation of the rental situation in Canada. In a brief the minister responsible for housing submitted to the cabinet he said:

It is easy to overestimate the importance of rent controls in the current situation.

He went on to say:

New construction is exempt from control.

With over one million renters already paying over 30 per cent of their incomes on shelter, I should like to ask the Prime Minister why the minister for housing before the weekend went to the newly-elected government of Manitoba and urged it to abandon rent controls? I ask this in light of the fact that last spring I put the same question on rent controls to the Prime Minister and he said there had been no change in policy. Have we just had a change in policy, and is the Government of Canada abandoning its commitment to rent controls?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I have not been made acquainted by the minister about his conversation with the new Premier of Manitoba, as obviously the Leader of the New Democratic Party has, but if the hon. member gives me a little bit of time I will talk to the minister when he returns, to determine what message or what the conversation was that took place between them.

QUERY RESPECTING GOVERNMENT POLICY

Mr. Edward Broadbent (Oshawa): Madam Speaker, I am not asking the Prime Minister about the details of the conversation, as the details were reported in the *Winnipeg Free Press*. It is public knowledge that the minister responsible for housing went there and publicly urged the new government to abandon rent control policies. I am asking the Prime Minister, as head of the government, what the government's policy is on rent controls. There is a great shortage of rental accommodation and the minister has already acknowledged that new rental accommodation is not subject to controls. But we need controls. What is the Government of Canada's policy on this?

• (1425)

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I believe that the hon. member knows that rent controls are a matter of provincial jurisdiction and that the situation may vary from province to province. We have not at any time in cabinet, to my knowledge, sat around to decide how the provinces should exercise their jurisdiction in this matter. In that sense it is not possible to say our policy has changed. We have no policy for the provinces on that.

I am sure that individual ministers from provinces they come from, or provinces to which they are speaking, will express opinions. That may be the case in the situation related by the hon. member. I have not seen a copy of the speech or the reports of the speech. Therefore I cannot indicate what the minister was explaining at that time. I do know that we do not spend much time in cabinet deciding what policies the provinces should exercise in matters within their jurisdiction.

GOVERNMENT EXPENDITURES ON HOUSING CONSTRUCTION

Mr. Edward Broadbent (Oshawa): Madam Speaker, of course the Prime Minister is right, jurisdictionally speaking, in saying that the question of rent control is within provincial jurisdiction. If he is right in saying that, and I acknowledge that he is, I would also say that it is none of the minister's business at all to be going around to all the provinces to tell them to abandon a rent control policy, the only policy that is holding down rents in this country.

Considering that right now we have in Canada 70,000 unemployed in the construction industry, and 14,000 unemployed in the forestry industry. I would like to ask the Prime Minister why is it that the government in its current fiscal year is planning to spend only one fifth of the amount on housing that it was spending in 1976? Why is there not a massive influx of government spending on housing to provide jobs for unemployed workers, and to provide housing accommodation for the people of Canada who need it?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I am somewhat puzzled that the hon. member points out that it is no business of the federal minister to be expressing views on rent control but it seems to be the business of the Leader of the New Democratic Party, at least at the federal level, not only to express views on that, as has been done, but to seek views from myself. I do not think that is very consistent.

An hon. Member: You did not answer the question.

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MINES AND MINING

EFFECT OF BUDGET MEASURES

Mr. Thomas Siddon (Richmond-South Delta): Madam Speaker, my question is for the Minister of State for Mines. Mr. David Thomas, President of the Mining Association of Canada, recently stated that the Canadian mining industry is currently in its worst depression since the 1930s. In fact high interest rates and high energy prices have led to a pronounced downturn in demand for base metals such as copper, iron, lead and zinc in recent months.

In view of the recent federal budget which fails to address this serious situation—in fact the proposed new tax measures will further limit the availability of venture capital for new resource exploration and mine development—why has the minister been so singularly unsuccessful in pursuing this urgent problem with the government, and what specific proposals does she advocate at this time to prevent the crippling of whole communities and tragic unemployment for thousands of additional Canadians once the full impact of "MacEachen's recession" is felt by our primary industries?

Hon. Judy Erola (Minister of State (Mines)): Madam Speaker, the hon. member did refer to some comments by Mr. David Thomas of the Mining Association which reflected his immediate reaction to the budget. He had not had time to review the budget thoroughly before that specific interview, to examine the fact that there were incentives in the budget that were helpful to the mining industry. I refer particularly to one incentive which the prospectors and developers had been

requesting for the last couple of years, which was a change in the capital assets now allowing them to refer those funds which are invested in new exploration companies to be taxed as capital gains. It was an incentive which had been requested by the mining companies and one which they greeted quite favourably once they had examined the budget in full.

I might also add that the mining companies of Canada greeted with great favour the fact that we had extended the moratorium on northern benefits for a year, and that within another year we would have an even more positive policy in effect, so that there are, indeed, benefits to the mining companies.

With respect to the markets, the hon. member is absolutely right, but these are international markets over which the Canadian government has no control.

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INDUSTRY

CANADIAN CONTENT OF MINING EQUIPMENT

Mr. Thomas Siddon (Richmond-South Delta): Madam Speaker, we can pursue that question further on another occasion, but I would like to direct a supplementary question to the Minister of Industry, Trade and Commerce.

● (1430)

It is now over 20 months since the minister promised to introduce some form of industrial development plan for Canada. The budget working paper which he commends so highly, called "Economic Development for Canada in the Eighties", does nothing more, as pointed out in the conclusions, than provide an assessment of the economic challenges. It provides no solutions.

I would like to ask the minister why it is that the Canadian manufactured content of mining equipment used in the Canadian mining industry has fallen from some 70 per cent in 1970 to only 30 per cent in 1980. Given the massive mining projects to be undertaken, particularly in western Canada, why has the minister announced no specific plan and no specific proposal to build a plant in Canada which could manufacture much of this important and large scale mining equipment, perhaps with the assistance of that elusive Western Development Fund?

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Madam Speaker, we certainly did table an economic development plan in this House. We did so in connection with the budget, and I commend it to my hon. friend because one of the priority sectors it lists for attention in terms of action on policy, and development of policy, is the mining sector.

My hon. friend has pointed to a very discouraging trend, the reduction in Canadian content in mining machinery—which, unfortunately, continued during the period his government was in office—but we are working to contain that trend and reverse it.

Earlier this year we had a major conference in Vancouver jointly sponsored by the federal government, the British Columbia government, and the mining industry. The conference was aimed at bringing together the mining industry and manufacturers to begin a new process of communication to lead to an important increase in the Canadian content in mining machinery. That process and that conference were widely praised by the same Mr. Thomas who was quoted with approval in this House a few moments ago. If the hon. member takes Mr. Thomas seriously on one thing, he should also take him seriously when he says the mining industry is very pleased with the opportunities in the mining process, and we are continuing the progress based on it.

In fact, we will use the industrial and regional benefits program we announced in August as a basis for important efforts to increase Canadian content and opportunities for Canadian workers in mining machinery and other machinery used in major projects across this country.

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FITNESS AND AMATEUR SPORT

REFUSAL TO FUND PARTICIPATION BY AMPUTEE SPORTS TEAM IN AUSTRALIAN GAMES

Hon. John C. Crosbie (St. John's West): Madam Speaker, my question is for the minister responsible for fitness and sport. The minister will remember that this is the Year of the Disabled and that the Canadian Amputee Sports Association wrote him in May of this year asking for a contribution from the government to enable it to participate in the Australian Summer Sports for the Disabled which are taking place December 2 to December 7, in a few days time. The association requested the amount of $70,000 to send a Canadian team to Australia. The minister refused. The association raised $35,000 itself and came back and asked the minister for $35,000, or a reasonable gesture, to help these athletes go to those games. They won more gold medals at the Olympics in Holland than anyone else at the recent Olympics there.

Can the minister tell the House why he and his department refused $35,000, or any contribution, to the Canadian Amputee Sports Association to send a team from Canada to Australia in the Year of the Disabled?

Hon. Gerald Regan (Secretary of State): Madam Speaker, I thank the hon. member for the question. I think he should understand that it is not the general practice of Fitness and Amateur Sport to finance particular events. The amputee championships in Australia are not world championships.

What happened in this particular instance is that because this is the Year of the Disabled, Fitness and Amateur Sport has dedicated over one and a quarter million dollars to various events affecting disabled athletes, in Canada and outside the country. However, the late application for assistance respecting that particular project in Australia made it impossible for the department to give favourable consideration.

I might point out that this particular group does receive substantial assistance in relation to its administrative costs and other projects, and it is receiving that in the course of this year.

Mr. Crosbie: Madam Speaker, the minister will be aware that there are such things as supplementary estimates and that the government could have saved $27,000 and given it to these amputee athletes if it had not sent three ministers on three separate jets to Winnipeg from Ottawa on October 29, or it could have saved $10,000 on cocktails at the Grey Cup.

FUNDING FOR 1983 WORLD AMPUTEE SPORTS GAMES

Hon. John C. Crosbie (St. John's West): Madam Speaker, my supplementary question is this: why has the minister refused to support the Canadian Amputee Sports Association, which has been invited to hold the World Amputee Sports Games in St. John's, Newfoundland, here in Canada, in 1983, at a cost of $250,000? Why has the minister refused to help them with these world games in 1983 when, in 1982, he will be financing the Pan-American games for the disabled in Halifax at a cost of $2.5 million? These are wheelchair athletes. What has he got against Canadian amputee athletes? Why is he not going to help support those world games in Newfoundland in 1983, the four hundredth anniversary of Sir Humphrey Gilbert's landing in Newfoundland and the commencement of the British empire by taking possession of Newfoundland? Why is he not prepared to do that? He can ask his colleagues for funds for 1983. That is in two years' time. He does not need any supplementary estimates.

Madam Speaker: Order.

Hon. Gerald Regan (Secretary of State): Madam Speaker, the application in relation to the championships projected to be held in St. John's was not filed in the time provided by the guidelines stated in the agreement between the federal government and the provinces on what the hosting practices should be. But, if the hon. member wishes, I would be happy to review that situation.

I do, however, want to tell the hon. member that if in his haste to give programs away to the provinces the then Prime Minister and now Leader of the Opposition had not decided that the easiest and quickest thing to get rid of was Loto Canada, then we would have ample funds on hand to take care of projects of this type.

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[*Translation*]

INDUSTRY

INQUIRY WHETHER GOVERNMENT INTENDS TO MODIFY ITS POLICY ON FOOTWEAR

Mr. Irénée Pelletier (Sherbrooke): Madam Speaker, my question is directed to the Minister of Industry, Trade and Commerce. It is clear that the footwear industry policy announced last week by the minister is not satisfactory to the industry itself. Could the minister inform the House whether he intends to make any changes in the policy and if so, when does he intend to announce such changes in the House?

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Madam Speaker, we are trying to focus the industry's attention on all positive aspects of the policy, but at the same time I am open to suggestions from the various sectors in the industry and I shall bring these to the attention of my colleagues.

We are concerned about the industry's future and the new policy we announced several days ago was designed to provide a sound framework for supporting and modernizing this important industry.

[*English*]

REQUEST THAT MORATORIUM BE PLACED ON NEW FOOTWEAR QUOTAS

Mr. Lorne Nystrom (Yorkton-Melville): Madam Speaker, my question is in relation to the same matter. The elimination by the minister of the quotas will take effect tomorrow. Some 150 representatives of labour and business met in emergency session in Montreal on Saturday, and they said that the policy will result in plant shut-downs and the loss of thousands of jobs. They requested that the minister announce a moratorium respecting the quotas. In order to consult with the industry and with the workers in those plants, I wonder whether the minister is willing to accede to this request that there be a moratorium on the imposition of the new quotas.

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Madam Speaker, it is very interesting that someone from western Canada should be calling for the continued imposition of quotas. This may be the first of a number of changes in approach in matters of this kind. However, certainly before making our decision on the policy we announced a few days ago, the cabinet considered very carefully all aspects of the situation, including representations from the workers and from the industry.

We do not accept the premise of my hon. friend's question that what we announced yesterday will bring about the decline in employment about which he spoke. Our purpose in announcing the quota system was to ensure that one of the major matters talked about by the Anti-Dumping Tribunal report, the pressure, by way of the ability to substitute non-leather footwear, on the leather sector, would be dealt with. We have responded as well to the major finding in the report that our industry was in a position to compete with imports from developed countries, including state trading ones, and most of our imports from those countries are leather footwear.

● (1440)

People also forget that leather footwear will continue to have the benefit of a 25 per cent tariff as well as the protection

of our anti-dumping law and our valuation laws. As I stated to my colleague from the Liberal side of the House, while I am ready to receive representations on this matter and bring them to the attention of our colleagues, we certainly are not in a position today to give a favourable response to the request for a moratorium.

GUARANTEE SOUGHT THAT JOBS WILL NOT BE LOST

Mr. Lorne Nystrom (Yorkton-Melville): Madam Speaker, since the answer is no, and since the industry and union spokespersons disagree with the minister about jobs, can the minister now state publicly in this House that he will give an ironclad guarantee that there will not be any loss of jobs in the shoe industry in Quebec or in other parts of this country?

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Madam Speaker, the per capita consumption of footwear in Canada since 1972 has declined from four pairs to about three pairs.

Some hon. Members: Oh, oh!

Mr. Gray: There are also changes in productivity through the introduction of new equipment, and changes in consumer tastes. Our view is that our policy will not bring about the decline in employment my hon. friend has said. Our purpose is to stabilize employment and strengthen the industry. What he is asking for does not fit in with the reality of the dynamics of the marketplace. Our purpose is to enable the industry to compete better, to stabilize it and strengthen the framework of job opportunities for workers in the industry in all parts of Canada.

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FOREIGN INVESTMENT REVIEW AGENCY

REFUSAL TO PERMIT SALE OF IRWIN-DORSEY LIMITED

Mr. John McDermid (Brampton-Georgetown): Madam Speaker, my question is to the same minister who, I think, runs on Duracells. The cabinet decision to disallow Irwin-Dorsey Limited, a small healthy company in Georgetown, to be purchased by a United States company from its present owner, another U.S. company, on the grounds that the sale would not be "in the best Canadian interest", will result in the Georgetown plant closing on December 31, putting 28 people out of work. Will the minister please explain how this is in the best interest of Canada and especially in the best interest of the 28 people who will lose their jobs at the end of the year?

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Madam Speaker, the decision disallowing the application does not force the closing of the Irwin-Dorsey Company. That is the decision of the foreign parent, Dow-Jones in the United States, which so far declines to sell the business to its Canadian employees, to any Canadian company, or to file a new application offering further benefits to Canada. The responsibility for this unfortunate event is solely in the hands of the foreign parent, whose attitude is one which all Canadians should deplore.

BACKGROUND TO DECISION

Mr. John McDermid (Brampton-Georgetown): Madam Speaker, it is interesting that the Liberal's friend, Bob Campeau, can sell his hotel to Hong Kong interests and put it through FIRA, but a little company with 30 employees cannot get cleared through FIRA. Will the minister admit to this House today that the Ontario government supported the transfer of the ownership, and in reaching that decision the federal cabinet received political pressure from the Minister of State, and in fact the decision would have been to allow the purchase had it not been for that totally unnecessary political pressure?

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Madam Speaker, the law adopted by this House says that we have to consult with and seek the views of relevant provincial governments and relevant federal government departments. We sought this advice. We took it into consideration in making our decision as a government. We did not find that on balance there was significant benefit. If the parent company of Irwin-Dorsey was serious about its concern for the workers, it could easily have filed a new application offering further benefits to Canada or, as I said, make arrangements to sell the company to its employees or to another Canadian firm. It chose not to do so. I am surprised my hon. friend is accepting and supporting this deplorable conduct on the part of this foreign company.

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GOVERNMENT OF CANADA

TRANSFER OF TOURISM OFFICE FROM OTTAWA TO YARMOUTH, N.S.

Hon. Walter Baker (Nepean-Carleton): Madam Speaker, I have a question for the President of the Treasury Board. It has to do with the government's decentralization program. Can the government confirm that a decision has been made to move the Canadian Government Office of Tourism's distribution unit from the national capital to Yarmouth, Nova Scotia?

Mr. Forrestall: Not a bad idea.

Mr. Baker (Nepean-Carleton): Would he please confirm that?

Hon. Donald J. Johnston (President of the Treasury Board): Yes, Madam Speaker, my recollection is that the decision was made to move the Office of Tourism to Yarmouth, Nova Scotia. I am delighted to see there is a lot of support for that move on the other side.

Mr. Nielsen: One member.

ADVICE TENDERED BY MINISTER

Hon. Walter Baker (Nepean-Carleton): Madam Speaker, the minister is no doubt aware that on April 29, 1981, his colleague, the Minister of State for Small Businesses and Tourism, wrote to the President of the Treasury Board setting out on four or five pages why it would be inappropriate to move that particular unit to Yarmouth, and asking the minister to find another unit that might be more appropriate to move to Yarmouth. Yet the government seems to be persisting in something that has been, by the minister's seatmate and colleague, indicated to be stupid in terms of government administration.

Mr. Crosbie: Answer that one.

Mr. Baker (Nepean-Carleton): Did the minister make any attempt to find another unit? Why is he flying in the face of the advice of the minister responsible for the department?

[*Translation*]

Hon. Charles Lapointe (Minister of State (Small Businesses and Tourism)): Madam Speaker, the hon. member is indeed referring to a letter I sent to my colleague, the President of the Treasury Board. In that letter I asked for my colleague's co-operation in finding another branch or section of the federal public service that could be moved to Yarmouth. The matter was considered, and the President of the Treasury Board and myself were unable to find any other work units that could be moved to Yarmouth on short notice, so I changed my mind and asked the President of the Treasury Board to proceed with the original plan, because, Madam Speaker, we feel that regional development is just as important as maintaining the number of public servants in the national capital.

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[*English*]

NATIONAL DEFENCE

ESTABLISHMENT OF COMMITTEE TO CONSIDER FUTURE OF C.F.B. CHATHAM, N.B.

Mr. Maurice A. Dionne (Northumberland-Miramichi): Madam Speaker, I have a question for the Minister of National Defence. It results from his remarks in my constituency on November 7 to the effect that he would establish a high-level interdepartmental committee to seek solutions and to implement those solutions with regard to the base at Chatham. Can the minister advise the House whether that committee has been established and whether there will be an opportunity for local input to the deliberations and decisions of that committee?

Hon. J. Gilles Lamontagne (Minister of National Defence): Madam Speaker, the answer is affirmative in all three cases. The interdepartmental committee has been set up, Lt. General G. C. E. Thériault, Vice-Chief of the Defence Staff is taking charge within the Department of National Defence, and Mr. F. J. Anderson, Assistant Deputy Minister Policy, is chairman. The local people will have an opportunity to have some input in the discussion with regard to the phasing out of some of the operations of Base Chatham.

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FISHERIES

POSSIBLE PURCHASE OF OFFSHORE FLEET

Mr. J. M. Forrestall (Dartmouth-Halifax East): Madam Speaker, my question relates to those raised earlier by my colleague. It is directed to the Minister of Fisheries and Oceans. The government has two distinct options with regard to the very serious difficulty in which the east coast fisheries finds itself. The first is to intervene in the marketing process. There has been a very clear indication from the minister and the industry that they would not wish to do that. The only other alternative that seems available, and I would like the minister to comment on it, is to consider moving into the area of purchasing the offshore fleet to complement what is already an absolute control with respect to quotas and licences.

Hon. Roméo LeBlanc (Minister of Fisheries and Oceans): Madam Speaker, a whole spectrum of options has been suggested. That is one of them.

GOVERNMENT POSITION ON PURCHASE OPTION

Mr. J. M. Forrestall (Dartmouth-Halifax East): Madam Speaker, the temptation is to ask the minister to do it so that we can turn the ships over to his colleague, the Minister of National Defence, and then we can have a Canadian navy.

Some hon. Members: Hear, hear!

Mr. Forrestall: I am serious about this. The minister is aware that the industry is in very bad shape. Is the minister or his departmental officials applying this idea? Is it being considered? Is there a government view with respect to it? If so, we might possibly support such an option.

Hon. Roméo LeBlanc (Minister of Fisheries and Oceans): Madam Speaker, that is the second time this idea has been suggested. I remember that suggestion being made in late 1974 or early 1975 by the industry. I said this was an option which is being considered in a very informal discussion with the industry. We listed about ten possible measures; that was one of them. I thought that the discussion that took place was extremely enlightening.

● (1450)

PORTS

PRINCE RUPERT—INCLUSION OF BELLEVILLE, ONT. FIRM ON TENDERING LIST

Mr. J. R. Ellis (Prince Edward-Hastings): Madam Speaker, my question is directed to the Minister of Transport. It has to do with the Ridley Island Coal Terminal in Prince Rupert, British Columbia. The minister will know that the federal government is funding 90 per cent of the equipment there. I would like to point out to the minister that my opinion is that there is not proper consideration being given to a firm from Belleville, Stephens-Adamson Division of Allis-Chalmers Canada Limited, a firm that is very expert in providing reclaimers-stackers. Will the minister undertake that this Canadian company will be placed on a short list and allowed to bid against the foreign firms which are now on that short list?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, this was done on Friday afternoon.

REQUEST FOR MINISTER'S SUPPORT

Mr. J. R. Ellis (Prince Edward-Hastings): If I may, Madam Speaker, my supplementary question is for the Minister of Industry, Trade and Commerce. This same type of thing happened recently through CIDA for a different purchase of equipment, but it still involved the same company. Does the Minister of Industry, Trade and Commerce support his colleague, the Minister of Transport, in having this Canadian company, that is very expert in this particular field, kept on this short list to provide equipment to the Canadian government? It is the only Canadian firm capable of doing such work.

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Madam Speaker, I would be very pleased to support my colleague, the Minister of Transport, in this important effort.

* * *

AVIATION SAFETY

SHORTAGE OF AIR TRAFFIC CONTROLLERS

Mr. Sid Parker (Kootenay East-Revelstoke): Madam Speaker, my question is directed to the Minister of Transport. The government cut back on training for air traffic controllers in Canada a year and a half ago. In spite of this, training has now been accelerated, and Ministry of Transport officials have estimated that we will face a shortage of up to 1,000 air traffic controllers by 1985/86, and that we presently have a shortage of 50 to 100 air traffic controllers. Will the minister tell this House what steps he intends to take to deal with the present immediate shortage of air traffic controllers caused by the government's cutbacks in training?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, without accepting the figures used by my hon. friend, I will agree with him that there is a shortage. A number of months ago we moved to remedy that situation. We moved in a number of ways, some internal, some external. By way of illustration, we have signed an agreement with Georgian College in Ontario to make sure that the school system would bring candidates and would train candidates in a wider fashion for the job of air traffic controller. We are in the last stage of passing an agreement with the government of Quebec in a similar approach. At St. Jean, Quebec, there will be a CEGEP airport facility for the training of air traffic controllers.

One of the great difficulties that the department has had is that it recruits many, but the process of training them is quite difficult. One never knows how many one will have at the end. By using the school system better than in the past, the department hopes to recruit more of them, and also to give them the facility for doing something else than air traffic controlling, should they be found not to be able to do it.

Another thing the department is doing, which is not very pleasant, is that it is preventing them, because of this shortage of air traffic controllers, from serving in other countries of the world, through agreements with ICAO. I have had a number of people on the other side and on this side protesting against that. To sum up, we are aware of the difficulties and are taking steps to remedy them.

Some hon. Members: Hear, hear!

REQUEST THAT PREFERENCE BE GIVEN TO CANADIAN CITIZENS

Mr. Sid Parker (Kootenay East-Revelstoke): Madam Speaker, presently we have high levels of unemployment in Canada and such highly-skilled jobs are needed by Canadians. Will the Minister of Transport give assurances here and now that our fully trained air traffic controllers will be given preference to promotions and so on, and will he give ironclad agreements that no foreign air traffic controllers will be brought into Canada and that we will use Canadian people for these highly-skilled jobs?

Some hon. Members: Hear, hear!

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, I am more friendly than is my hon. friend. In view of the situation that we have now—and I have admitted we have a scarcity of air traffic controllers—if some people want to come to Canada to serve in this capacity, I am quite sure that they will be eligible as candidates. But the normal rule of acceptability in these matters, that is, preference to Canadians, will be applied.

Some hon. Members: Hear, hear!

ROYAL CANADIAN MOUNTED POLICE

REQUEST FOR PROVISION OF COLLECTIVE BARGAINING RIGHTS

Hon. Elmer M. MacKay (Central Nova): I have a brief question as well, Madam Speaker, for the Solicitor General. It is simply to ask the Solicitor General when he intends to fulfil the commitment that he made in the spring of 1980 to bring forward legislation to provide members of the RCMP with more equity within the force, and whether he intends to recognize the very real concerns that there be included in this new legislation some provision for collective bargaining without the right for the members to withdraw their services?

Hon. Bob Kaplan (Solicitor General): Madam Speaker, the legislation that I referred to is now on the Order Paper. If the Conservative Party is indicating through the hon. member that there is some interest in making progress on that legislation, then I would be very happy to ask my House leader to discuss the possibility of bringing it forward this week. It is important legislation, as the hon. member said. Although it does not contain the collective bargaining recommendations that the hon. member seems to be advocating, it does increase equity in the force and I think it would be tremendous progress.

* * *

INDIAN AFFAIRS

FUNDING FOR KASKA, DENE TRIBAL COUNCIL

Mr. F. Oberle (Prince George-Peace River): I have a brief question, Madam Speaker, that I shall direct to the Minister of Indian Affairs and Northern Development. One of the more recent visits the minister made to the Yukon and northeastern British Columbia brought him in contact with the Kaska, Dene Tribal Council which was established about a year ago. The minister made a promise in meetings with that particular native group that funds would be provided to help with the research of their claim as it relates to the encroachment of a massive hydro development plant in northeastern British Columbia, and as these people relate to the claims which are presently negotiated in the Yukon. Will the minister tell the House whether he has made good his promise and made the funds available to the Kaska people, or when is he prepared to do so?

Hon. John C. Munro (Minister of Indian Affairs and Northern Development): Madam Speaker, no, I cannot assure the hon. member that I have been able to assure the people involved in the hon. member's question of the necessary funding. I have been endeavouring to find additional funds for this current fiscal year for research into land claims. I do agree, Madam Speaker, that these people do have a legitimate claim, particularly because there is some impact upon them as a result of the cost of the Yukon Indian claim. I have not yet been able to find the necessary moneys, certainly in the proportions they are requesting. I am still continuing to try to do so.

TIMING OF PROVISION OF FUNDS

Mr. F. Oberle (Prince George-Peace River): Because of the urgency of this matter, is the minister prepared to advance smaller sums than those he had promised, and could he give me a time-frame? Will it be in the spring when these funds will become available? I was very distressed not to see any indication of his promise in the estimates that we have now before committee.

Hon. John C. Munro (Minister of Indian Affairs and Northern Development): Yes, Madam Speaker, I have heard the hon. member's representations. I will check into the matter and get back to him.

* * *

NUCLEAR ENERGY

DISPOSAL OF RADIOACTIVE SOIL IN ONTARIO

Hon. Perrin Beatty (Wellington-Dufferin-Simcoe): Madam Speaker, will the Minister of Energy, Mines and Resources reassure the people of Simcoe County that plans to move 4,000 tonnes of radioactive soil to Base Borden are dead and will not be revived?

Mr. Nielsen: Yes or no?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, there has been a court decision rendered on this matter that prevents the federal government from doing anything on this subject. Following the temporary interim injunction that has been granted by the courts, until the matter is otherwise resolved or until there is a final decision by the courts on this subject, I cannot comment further.

REQUEST THAT MINISTER ATTEND PUBLIC MEETING

Hon. Perrin Beatty (Wellington-Dufferin-Simcoe): Madam Speaker, I shall repeat the question again to the minister. Will he give the assurance to the House that he is now dropping plans to move 4,000 tonnes of radioactive soil to Base Borden? If not, will the minister tell the House if he is aware of a letter from the Executive of the Wellington-Dufferin-Simcoe Liberal Association that says:

> What we object to, is the manner in which this decision was made, without local government consultation, without environmental studies, and without public hearings. This decision is totally devoid of the spirit and philosophy of liberalism as we understand it to be.
>
> We demand that the proposed dumping be stopped.

If the minister is aware of that and if he does intend to pursue the matter, will he personally appear at a public meeting in the affected area to hear from affected residents?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, again I have indicated that there has been an interim injunction granted by the courts on this

subject. I do not want to comment further until the courts have rendered a final decision.

● (1500)

I might add that I have written to the government of Ontario suggesting that it might consider alternative plans under the powers it has, reminding it in particular that the land in question has been owned by the Ontario Housing Corporation and that it could fulfil its own responsibility in this regard. Discussions are taking place at the present time, and if and when this matter is resolved I will certainly be very happy to inform my colleague.

* * *

PETITIONS

TABLING OF REPORTS OF CLERK OF PETITIONS

Madam Speaker: I have the honour to inform the House that the Clerk of the House has laid upon the Table reports of the Clerk of Petitions stating that he has examined the petitions presented to the House on Friday, November 27, 1981, and finds that they meet the requirements of the Standing Orders as to form.

ROUTINE PROCEEDINGS

[*English*]

PETITION

MISS JEWETT—THE CONSTITUTION—REQUEST FOR DELETION OF SECTION 33 OF CHARTER

Miss Pauline Jewett (New Westminster-Coquitlam): Madam Speaker, it is a pleasure, not only a duty, for me to present this petition on behalf of the Ad Hoc Committee of Canadian Women, humbly praying that the Canadian Charter of Rights and Freedoms be amended by deleting Section 33, the override section, thereby ensuring that fundamental human rights and freedoms are genuinely and fully entrenched within both federal and provincial jurisdiction.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, the following questions will be answered today: Nos. 2,703, 2,812, 2,817, 2,842, 3,183, 3,196, and 3,234.

[*Text*]

CONTRACT WITH FOUR ENGINEERING FIRMS

Question No. 2,703—**Mr. McKinnon:**

1. Did four engineering firms in Ottawa each receive a $100,000 contract for the same purpose "Engineering Services for Medium Logistic Vehicle Wheeled 4 (MLVW4) project 11MY.3611003." and, if so, are the firms competing with each other in a phase of a larger contract or are they engaged in different parts of the same project?

2. Were any firms outside Ottawa approached to see if they would be interested in participating in the work?

Hon. J.-J. Blais (Minister of Supply and Services): 1. Four Ottawa-based engineering firms have each received a $100,000 contract for the provision of a broad range of engineering services and technical support on an as and when required basis from date of contract award to March 31, 1982. Included, will be the development and prototyping of various kits to be used on the MLVW project.

The firms are not competing with each other. They are engaged in developing special equipment vehicle kits, some 43 in number, and including technical data packages. Production contracts for high quantity of similar kits will be awarded competitively to Canadian industry. It will be an option that the firms that do develop the kits can also be tasked to acquire the small quantity production kits, if that is considered cost effective and reduces risk.

2. No. Firms outside of Ottawa were not requested to participate for the following reasons:

(a) As a matter of policy, the Department of Supply and Services will endeavor to acquire goods and services of comparable quality at a minimum cost to the Crown.

(b) In this particular case, the aforementioned principle dictated the approach followed i.e., the project management and task project officers will all be located in Ottawa and the nature of the work involved will require day-to-day control, direction and inspection acceptance. The staff used representatives and key project participants from the supply branch as well as the required test facilities are all located in Ottawa.

(c) Consequently, the engineering services contracts were limited to Ottawa area firms at enormous savings in travel costs, co-ordination efforts and manpower.

EDUCATION LEAVE COSTS

Question No. 2,812—**Mr. Clarke:**

1. With reference to the education leave costs recorded by the Department of Consumer and Corporate Affairs at page 13.6, volume I of the 1979-80 Public Accounts of Canada, what guidelines were used to determine (a) which employees should obtain educational leave and whether such employees should be granted (i) leave with pay (ii) travel expenses (iii) payment for tuition (b) whether the skills to be acquired were needed on a permanent basis?

2. What percentage of the education leave cost of $2,001 was necessitated by the acquisition of new equipment and by the need to have new skills in order to use the equipment?

3. What percentage of the education leave was necessitated by reason of job redundancy because of the (a) acquisition of equipment (b) change in the role of the employing agency (c) change in the capabilities of employees?

4. What percentage of employees granted such leave in the past three years have subsequently left the Public Service?

Mr. Gary F. McCauley (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): 1. (a) and (b) Treasury Board Policy: chapter 110 sub-chapter 5 of the Personnel Management Manual—Conditions governing education, training and development, including subsidization.

2. Nil.

3. Nil.

4. Nil, the only employee on education leave in the past three years is still with the department.

Question No. 2,817—**Mr. Clarke:**

1. With reference to the education leave costs recorded by the Department of External Affairs for the Canadian International Development Agency at page 13.6, volume I of the 1979-80 Public Accounts of Canada, what guidelines were used to determine (a) which employees should obtain educational leave and whether such employees should be granted (i) leave with pay (ii) travel expenses (iii) payment for tuition (b) whether the skills to be acquired were needed on a permanent basis?

2. What percentage of the education leave cost of $9,094 was necessitated by the acquisition of new equipment and by the need to have new skills in order to use the equipment?

3. What percentage of the education leave was necessitated by reason of job redundancy because of the (a) acquisition of equipment (b) change in the role of the employing agency (c) change in the capabilities of employees?

4. What percentage of employees granted such leave in the past three years have subsequently left the Public Service?

Hon. Mark MacGuigan (Secretary of State for External Affairs): 1. The guidelines that were used are contained in the following two documents: "CIDA's Training and Development Policy, 1980", Treasury Board's personnel management manual, chapter 110-5—Conditions governing education, training and subsidization.

2. Nil.

3. Nil.

4. 26.3 per cent have left the Public Service.

Question No. 2,842—**Mr. Clarke:**

1. With reference to the education leave costs recorded by the Treasury Board for the Comptroller General at page 13.6, volume I of the 1979-80 Public Accounts of Canada, what guidelines were used to determine (a) which employees should obtain educational leave and whether such employees should be granted (i) leave with pay (ii) travel expenses (iii) payment for tuition (b) whether the skills to be acquired were needed on a permanent basis?

2. What percentage of the education leave cost of $10,047 was necessitated by the acquisition of new equipment and by the need to have new skills in order to use the equipment?

3. What percentage of the education leave was necessitated by reason of job redundancy because of the (a) acquisition of equipment (b) change in the role of the employing agency (c) change in the capabilities of employees?

4. What percentage of employees granted such leave in the past three years have subsequently left the Public Service?

Hon. Donald J. Johnston (President of the Treasury Board):

1. (a) (i), (ii) and (iii) Chapter 110 sub-chapter 5 of the Personnel Management Manual—Conditions governing education, training and development, including subsidization.

   (b) Same as (a) above.

2. Nil.

3. (a) Nil.

   (b) Nil.

   (c) 100 per cent.

4. None.

CROWN CORPORATIONS

Question No. 3,183—**Mr. Cossitt:**

Which Crown corporations, agencies and enterprises are classified, for the purposes of the national income and expenditure accounts, as (a) "government" (b) "corporate and government business enterprises"?

Mr. Norman Kelly (Parliamentary Secretary to President of the Treasury Board): Statistics Canada classifies Crown corporations, agencies and enterprises according to the national accounts basis as follows:

(a) Government	(b) Corporate and government business enterprises
Agricultural Stabilization Board	Air Canada
Atomic Energy Control Board	Bank of Canada
Atomic Energy of Canada Limited	Canada Deposit Insurance Corporation
Canada Council	Canadair Limited
Canada Employment and Immigration Commission	Canadian Arsenals Limited
Canada Lands Company Limited	Canadian Broadcasting Corporation
Canada Mortgage and Housing Corporation	Canadian Commercial Corporation
Canadian Centre for Occupational Health and Safety	Canadian National Railways
Canadian Dairy Commission	Canadian National (West Indies) Steamships Limited
Canadian Film Development Corporation	Canadian Patents and Development Limited
Canadian International Grains Institute	Canadian Saltfish Corporation
Cape Breton Development Corporation	The Canadian Wheat Board
Centennial Commission	The de Havilland Aircraft of Canada, Limited
Crown Assets Disposal Corporation	Eldorado Aviation Limited
Defence Construction (1951) Limited	Eldorado Nuclear Limited
Director of Soldier Settlement	Export Development Corporation
The Director, Veterans' Land Act	Farm Credit Corporation
Economic Council of Canada	Federal Business Development Bank
Federal Insolvency Trustee Agency	Federal Mortgage Exchange Corporation
Fisheries Prices Support Board	Freshwater Fish Marketing Corporation
The International Development Research Centre	Loto Canada Inc.
Livestock Feed Board of Canada	National Harbours Board
Medical Research Council of Canada	Northern Canada Power Commission
Municipal Development and Loan Board	Northern Transportation Company Limited
National Arts Centre Corporation	Petro-Canada
The National Battlefield Commission	Royal Canadian Mint
National Capital Commission	The St. Lawrence Seaway Authority
National Museums of Canada	The Seaway International Bridge Corporation Limited

Order Paper Questions

National Research Council
Natural Sciences and Engineering Research Council
Pilotage Authorities
Atlantic Pilotage Authority
Laurentian Pilotage Authority
Great Lakes Pilotage Authority
Pacific Pilotage Authority
Science Council of Canada
Social Sciences and Humanities Research Council
Standards Council of Canada
Teleglobe Canada
Uranium Canada Limited
Via Rail Canada Inc.

CASH PAYMENTS TO EMPLOYEES

Question No. 3,196—**Mr. Herbert:**

1. With reference to the answer to question no. 2,789, what is the basis of the calculation of the cash payments to employees in those provinces where payments for health care are not made to the provincial health authorities?

2. In the last year for which the information is available, by province, what amount was paid to the provincial health authorities or treasuries and what amount was paid directly to public servants in the form of cash payments?

Mr. Norman Kelly (Parliamentary Secretary to President of the Treasury Board): 1. Employees and pensioners of the federal government receive a benefit from the government as employer in respect of the cost of the health care plan in their respective provinces of residence.

In those provinces which do not levy provincial health insurance premiums, the employer contributions are based on the estimated per capita costs, for each individual province, for those health care services insured under the provincial plans and funded by the federal government and the provinces.

In Ontario, British Columbia, Alberta and the Yukon territory, part of the employer's contribution may be made by direct cash payments to employees whenever the premium is less than the employer's contribution based on provincial per capita cost of health care.

2. The government's total expenditure, by province, for fiscal year 1980-81 in respect of this benefit program (including contributions made to or on behalf of employees, members of the Armed Forces and RCMP, and pensioners), was as follows:

Province	Contributions paid direct to provincial authorities in premium-levying provinces
Ontario	$25,958,919.14
British Columbia	9,241,861.05
Alberta	3,398,217.62
Yukon territory	293,998.29

Province	Contributions paid direct to employees, etc.
Newfoundland	$2,065,339.63
P.E.I.	592,127.83
Nova Scotia	7,482,343.45
New Brunswick	3,120,021.59
Quebec	18,533,028.38
Manitoba	4,453,387.77
Saskatchewan	2,481,498.78
Northwest Territories	372,592.09
Ontario	450,808.00
British Columbia	826,896.67
Alberta	2,012,145.33
Yukon Territory	39,874.81

EXPENSE ACCOUNTS FOR DEPUTY MINISTERS

Question No. 3,234—**Mr. Cossitt:**

1. What are the rules and regulations pertaining to expense accounts or expenses of a personal nature incurred by deputy ministers and being paid for from public funds?

2. Are there guidelines laid down for deputy ministers in this regard and (a) if so, what are they (b) if not, for what reason?

3. Does the government intend to draw up such guidelines and (a) if not, for what reason (b) if so, on what date?

Mr. Norman Kelly (Parliamentary Secretary to President of the Treasury Board): 1. Expenses of a personal nature incurred by deputy ministers which are not the direct result of a program requirement are not reimbursable from public funds.

2. No specific guidelines are laid down for deputy ministers in this regard; however, various administrative policies enunciate rules and regulations with respect to travel, membership fees, hospitality and relocation. These policies establish admissible charges and limitations with respect to the expenditure of public funds for program reasons in each category, and are applicable to all public servants.

3. The current guidelines associated with each particular policy are considered adequate; the government does not intend to develop specific rules and regulations pertaining exclusively to deputy ministers.

[*English*]

Mr. Smith: I would ask, Madam Speaker, that the remaining questions be allowed to stand.

Madam Speaker: The questions enumerated by the parliamentary secretary have been answered. Shall the remaining questions stand?

Some hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

THE CONSTITUTION

RESOLUTION RESPECTING CONSTITUTION ACT, 1981

The House resumed, from Friday, November 27, consideration of the amended motion of Mr. Chrétien:

THAT, WHEREAS in the past certain amendments to the Constitution of Canada have been made by the Parliament of the United Kingdom at the request and with the consent of Canada;

AND WHEREAS it is in accord with the status of Canada as an independent state that Canadians be able to amend their Constitution in Canada in all respects;

AND WHEREAS it is also desirable to provide in the Constitution of Canada for the recognition of certain fundamental rights and freedoms and to make other amendments to that Constitution;

A respectful address be presented to Her Majesty the Queen in the following words:

To the Queen's Most Excellent Majesty:
Most Gracious Sovereign:

We, Your Majesty's loyal subjects, the House of Commons of Canada in Parliament assembled, respectfully approach Your Majesty, requesting that you may graciously be pleased to cause to be laid before the Parliament of the United Kingdom a measure containing the recitals and clauses hereinafter set forth:

CONSIDÉRANT :

que le Parlement du Royaume-Uni a modifié à plusieurs reprises la Constitution du Canada à la demande et avec le consentement de celui-ci;

que, de par le statut d'État indépendant du Canada, il est légitime que les Canadiens aient tout pouvoir pour modifier leur Constitution au Canada;

qu'il est souhaitable d'inscrire dans la Constitution du Canada la reconnaissance de certains droits et libertés fondamentaux et d'y apporter d'autres modifications,

il est proposé que soit présentée respectueusement à Sa Majesté la Reine l'adresse dont la teneur suit :

A Sa Très Excellente Majesté la Reine,
Très Gracieuse Souveraine :

Nous, membres de la Chambre des communes du Canada réunis en Parlement, fidèles sujets de Votre Majesté, demandons respectueusement à Votre Très Gracieuse Majesté de bien vouloir faire déposer devant le Parlement du Royaume-Uni un projet de loi ainsi conçu :

ANNEXE A—SCHEDULE A

An Act to give effect to a request by the Senate and House of Commons of Canada

Loi donnant suite à une demande du Sénat et de la Chambre des communes du Canada

Whereas Canada has requested and consented to the enactment of an Act of the Parliament of the United Kingdom to give effect to the provisions hereinafter set forth and the Senate and the House of Commons of Canada in Parliament assembled have submitted an address to Her Majesty requesting that Her Majesty may graciously be pleased to cause a Bill to be laid before the Parliament of the United Kingdom for that purpose.

Sa Très Excellente Majesté la Reine, considérant :

qu'à la demande et avec le consentement du Canada, le Parlement du Royaume-Uni est invité à adopter une loi visant à donner effet aux dispositions énoncées ci-après et que le Sénat et la Chambre des communes du Canada réunis en Parlement ont présenté une adresse demandant à Sa Très Gracieuse Majesté de bien vouloir faire déposer devant le Parlement du Royaume-Uni un projet de loi à cette fin,

Be it therefore enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:

sur l'avis et du consentement des Lords spirituels et temporels et des Communes réunis en Parlement, et par l'autorité de celui-ci, édicte :

Constitution Act, 1981 enacted

1. The *Constitution Act, 1981* set out in Schedule B to this Act is hereby enacted for and shall have the force of law in Canada and shall come into force as provided in that Act.

1. La *Loi constitutionnelle de 1981*, énoncée à l'annexe B, est édictée pour le Canada et y a force de loi. Elle entre en vigueur conformément à ses dispositions.

Adoption de la *Loi constitutionnelle de 1981*

Termination of power to legislate for Canada

2. No Act of the Parliament of the United Kingdom passed after the *Constitution Act, 1981* comes into force shall extend to Canada as part of its law.

2. Les lois adoptées par le Parlement du Royaume-Uni après l'entrée en vigueur de la *Loi constitutionnelle de 1981* ne font pas partie du droit du Canada.

Cessation du pouvoir de légiférer pour le Canada

French version

3. So far as it is not contained in Schedule B, the French version of this Act is set out in Schedule A to this Act and has the same authority in Canada as the English version thereof.

3. La partie de la version française de la présente loi qui figure à l'annexe A a force de loi au Canada au même titre que la version anglaise correspondante.

Version française

Short title

4. This Act may be cited as the *Canada Act*.

4. Titre abrégé de la présente loi : *Loi sur le Canada*.

Titre abrégé

SCHEDULE B

CONSTITUTION ACT, 1981

PART I

CANADIAN CHARTER OF RIGHTS AND FREEDOMS

Whereas Canada is founded upon principles that recognize the supremacy of God and the rule of law:

Guarantee of Rights and Freedoms

Rights and freedoms in Canada

1. The *Canadian Charter of Rights and Freedoms* guarantees the rights and freedoms set out in it subject only to such reasonable limits prescribed by law as can be demonstrably justified in a free and democratic society.

Fundamental Freedoms

Fundamental freedoms

2. Everyone has the following fundamental freedoms:

(*a*) freedom of conscience and religion;

(*b*) freedom of thought, belief, opinion and expression, including freedom of the press and other media of communication;

(*c*) freedom of peaceful assembly; and

(*d*) freedom of association.

Democratic Rights

Democratic rights of citizens

3. Every citizen of Canada has the right to vote in an election of members of the House of Commons or of a legislative assembly and to be qualified for membership therein.

Maximum duration of legislative bodies

4. (1) No House of Commons and no legislative assembly shall continue for longer than five years from the date fixed for the return of the writs at a general election of its members.

Continuation in special circumstances

(2) In time of real or apprehended war, invasion or insurrection, a House of Commons may be continued by Parliament and a legislative assembly may be continued by the legislature beyond five years if such continuation is not opposed by the votes of more than one-third of the members of the House

ANNEXE B

LOI CONSTITUTIONNELLE DE 1981

PARTIE I

CHARTE CANADIENNE DES DROITS ET LIBERTÉS

Attendu que le Canada est fondé sur des principes qui reconnaissent la suprématie de Dieu et la primauté du droit :

Garantie des droits et libertés

Droits et libertés au Canada

1. La *Charte canadienne des droits et libertés* garantit les droits et libertés qui y sont énoncés. Ils ne peuvent être restreints que par une règle de droit, dans des limites qui soient raisonnables et dont la justification puisse se démontrer dans le cadre d'une société libre et démocratique.

Libertés fondamentales

Libertés fondamentales

2. Chacun a les libertés fondamentales suivantes :

a) liberté de conscience et de religion;

b) liberté de pensée, de croyance, d'opinion et d'expression, y compris la liberté de la presse et des autres moyens de communication;

c) liberté de réunion pacifique;

d) liberté d'association.

Droits démocratiques

Droits démocratiques des citoyens

3. Tout citoyen canadien a le droit de vote et est éligible aux élections législatives fédérales ou provinciales.

Mandat maximal des assemblées

4. (1) Le mandat maximal de la Chambre des communes et des assemblées législatives est de cinq ans à compter de la date fixée pour le retour des brefs relatifs aux élections générales correspondantes.

Prolongations spéciales

(2) Le mandat de la Chambre des communes ou celui d'une assemblée législative peut être prolongé respectivement par le Parlement ou par la législature en question au-delà de cinq ans en cas de guerre, d'invasion ou d'insurrection, réelles ou appréhendées, pourvu que cette prolongation ne fasse pas

of Commons or the legislative assembly, as the case may be.

l'objet d'une opposition exprimée par les voix de plus du tiers des députés de la Chambre des communes ou de l'assemblée législative.

Annual sitting of legislative bodies

5. There shall be a sitting of Parliament and of each legislature at least once every twelve months.

5. Le Parlement et les législatures tiennent une séance au moins une fois tous les douze mois.

Séance annuelle

Mobility Rights

Liberté de circulation et d'établissement

Mobility of citizens

6. (1) Every citizen of Canada has the right to enter, remain in and leave Canada.

6. (1) Tout citoyen canadien a le droit de demeurer au Canada, d'y entrer ou d'en sortir.

Liberté de circulation

Rights to move and gain livelihood

(2) Every citizen of Canada and every person who has the status of a permanent resident of Canada has the right

(*a*) to move to and take up residence in any province; and

(*b*) to pursue the gaining of a livelihood in any province.

(2) Tout citoyen canadien et toute personne ayant le statut de résident permanent au Canada ont le droit :

a) de se déplacer dans tout le pays et d'établir leur résidence dans toute province;

b) de gagner leur vie dans toute province.

Liberté d'établissement

Limitation

(3) The rights specified in subsection (2) are subject to

(*a*) any laws or practices of general application in force in a province other than those that discriminate among persons primarily on the basis of province of present or previous residence; and

(*b*) any laws providing for reasonable residency requirements as a qualification for the receipt of publicly provided social services.

(3) Les droits mentionnés au paragraphe (2) sont subordonnés :

a) aux lois et usages d'application générale en vigueur dans une province donnée, s'ils n'établissent entre les personnes aucune distinction fondée principalement sur la province de résidence antérieure ou actuelle;

b) aux lois prévoyant de justes conditions de résidence en vue de l'obtention des services sociaux publics.

Restriction

Affirmative action programs

(4) Subsections (2) and (3) do not preclude any law, program or activity that has as its object the amelioration in a province of conditions of individuals in that province who are socially or economically disadvantaged if the rate of employment in that province is below the rate of employment in Canada.

(4) Les paragraphes (2) et (3) n'ont pas pour objet d'interdire les lois, programmes ou activités destinés à améliorer, dans une province, la situation d'individus défavorisés socialement ou économiquement, si le taux d'emploi dans la province est inférieur à la moyenne nationale.

Programmes de promotion sociale

Legal Rights

Garanties juridiques

Life, liberty and security of person

7. Everyone has the right to life, liberty and security of the person and the right not to be deprived thereof except in accordance with the principles of fundamental justice.

7. Chacun a droit à la vie, à la liberté et à la sécurité de sa personne; il ne peut être porté atteinte à ce droit qu'en conformité avec les principes de justice fondamentale.

Vie, liberté et sécurité

Search or seizure

8. Everyone has the right to be secure against unreasonable search or seizure.

8. Chacun a droit à la protection contre les fouilles, les perquisitions ou les saisies abusives.

Fouilles, perquisitions ou saisies

Detention or imprisonment

9. Everyone has the right not to be arbitrarily detained or imprisoned.

9. Chacun a droit à la protection contre la détention ou l'emprisonnement arbitraires.

Détention ou emprisonnement

Arrest or detention

10. Everyone has the right on arrest or detention

(*a*) to be informed promptly of the reasons therefor;

(*b*) to retain and instruct counsel without delay and to be informed of that right; and

(*c*) to have the validity of the detention determined by way of *habeas corpus* and to be released if the detention is not lawful.

Arrestation ou détention

10. Chacun a le droit, en cas d'arrestation ou de détention :

a) d'être informé dans les plus brefs délais des motifs de son arrestation ou de sa détention;

b) d'avoir recours sans délai à l'assistance d'un avocat et d'être informé de ce droit;

c) de faire contrôler, par *habeas corpus*, la légalité de sa détention et d'obtenir, le cas échéant, sa libération.

Proceedings in criminal and penal matters

11. Any person charged with an offence has the right

(*a*) to be informed without unreasonable delay of the specific offence;

(*b*) to be tried within a reasonable time;

(*c*) not to be compelled to be a witness in proceedings against that person in respect of the offence;

(*d*) to be presumed innocent until proven guilty according to law in a fair and public hearing by an independent and impartial tribunal;

(*e*) not to be denied reasonable bail without just cause;

(*f*) except in the case of an offence under military law tried before a military tribunal, to the benefit of trial by jury where the maximum punishment for the offence is imprisonment for five years or a more severe punishment;

(*g*) not to be found guilty on account of any act or omission unless, at the time of the act or omission, it constituted an offence under Canadian or international law or was criminal according to the general principles of law recognized by the community of nations;

(*h*) if finally acquitted of the offence, not to be tried for it again and, if finally found guilty and punished for the offence, not to be tried or punished for it again; and

(*i*) if found guilty of the offence and if the punishment for the offence has been varied between the time of commission and the time of sentencing, to the benefit of the lesser punishment.

Affaires criminelles et pénales

11. Tout inculpé a le droit :

a) d'être informé sans délai anormal de l'infraction précise qu'on lui reproche;

b) d'être jugé dans un délai raisonnable;

c) de ne pas être contraint de témoigner contre lui-même dans toute poursuite intentée contre lui pour l'infraction qu'on lui reproche;

d) d'être présumé innocent tant qu'il n'est pas déclaré coupable, conformément à la loi, par un tribunal indépendant et impartial à l'issue d'un procès public et équitable;

e) de ne pas être privé sans juste cause d'une mise en liberté assortie d'un cautionnement raisonnable;

f) sauf s'il s'agit d'une infraction relevant de la justice militaire, de bénéficier d'un procès avec jury lorsque la peine maximale prévue pour l'infraction dont il est accusé est un emprisonnement de cinq ans ou une peine plus grave;

g) de ne pas être déclaré coupable en raison d'une action ou d'une omission qui, au moment où elle est survenue, ne constituait pas une infraction d'après le droit interne du Canada ou le droit international et n'avait pas de caractère criminel d'après les principes généraux de droit reconnus par l'ensemble des nations;

h) d'une part de ne pas être jugé de nouveau pour une infraction dont il a été définitivement acquitté, d'autre part de ne pas être jugé ni puni de nouveau pour une infraction dont il a été définitivement déclaré coupable et puni;

i) de bénéficier de la peine la moins sévère, lorsque la peine qui sanctionne l'infraction dont il est déclaré coupable est

modifiée entre le moment de la perpétration de l'infraction et celui de la sentence.

Treatment or punishment

12. Everyone has the right not to be subjected to any cruel and unusual treatment or punishment.

12. Chacun a droit à la protection contre tous traitements ou peines cruels et inusités. Cruauté

Self-crimination

13. A witness who testifies in any proceedings has the right not to have any incriminating evidence so given used to incriminate that witness in any other proceedings, except in a prosecution for perjury or for the giving of contradictory evidence.

13. Chacun a droit à ce qu'aucun témoignage incriminant qu'il donne ne soit utilisé pour l'incriminer dans d'autres procédures, sauf lors de poursuites pour parjure ou pour témoignages contradictoires. Témoignage incriminant

Interpreter

14. A party or witness in any proceedings who does not understand or speak the language in which the proceedings are conducted or who is deaf has the right to the assistance of an interpreter.

14. La partie ou le témoin qui ne peuvent suivre les procédures, soit parce qu'ils ne comprennent pas ou ne parlent pas la langue employée, soit parce qu'ils sont atteints de surdité, ont droit à l'assistance d'un interprète. Interprète

Equality Rights

Droits à l'égalité

Equality before and under law and equal protection and benefit of law

15. (1) Every individual is equal before and under the law and has the right to the equal protection and equal benefit of the law without discrimination and, in particular, without discrimination based on race, national or ethnic origin, colour, religion, sex, age or mental or physical disability.

15. (1) La loi ne fait acception de personne et s'applique également à tous, et tous ont droit à la même protection et au même bénéfice de la loi, indépendamment de toute discrimination, notamment des discriminations fondées sur la race, l'origine nationale ou ethnique, la couleur, la religion, le sexe, l'âge ou les déficiences mentales ou physiques. Égalité devant la loi, égalité de bénéfice et protection égale de la loi

Affirmative action programs

(2) Subsection (1) does not preclude any law, program or activity that has as its object the amelioration of conditions of disadvantaged individuals or groups including those that are disadvantaged because of race, national or ethnic origin, colour, religion, sex, age or mental or physical disability.

(2) Le paragraphe (1) n'a pas pour effet d'interdire les lois, programmes ou activités destinés à améliorer la situation d'individus ou de groupes défavorisés, notamment du fait de leur race, de leur origine nationale ou ethnique, de leur couleur, de leur religion, de leur sexe, de leur âge ou de leurs déficiences mentales ou physiques. Programmes de promotion sociale

Official Languages of Canada

Langues officielles du Canada

Official languages of Canada

16. (1) English and French are the official languages of Canada and have equality of status and equal rights and privileges as to their use in all institutions of the Parliament and government of Canada.

16. (1) Le français et l'anglais sont les langues officielles du Canada; ils ont un statut et des droits et privilèges égaux quant à leur usage dans les institutions du Parlement et du gouvernement du Canada. Langues officielles du Canada

Official languages of New Brunswick

(2) English and French are the official languages of New Brunswick and have equality of status and equal rights and privileges as to their use in all institutions of the

(2) Le français et l'anglais sont les langues officielles du Nouveau-Brunswick; ils ont un statut et des droits et privilèges égaux quant à leur usage dans les institutions de la Légis- Langues officielles du Nouveau-Brunswick

legislature and government of New Brunswick.

lature et du gouvernement du Nouveau-Brunswick.

Advancement of status and use

(3) Nothing in this Charter limits the authority of Parliament or a legislature to advance the equality of status or use of English and French.

(3) La présente charte ne limite pas le pouvoir du Parlement et des législatures de favoriser la progression vers l'égalité de statut ou d'usage du français et de l'anglais.

Progression vers l'égalité

Proceedings of Parliament

17. (1) Everyone has the right to use English or French in any debates and other proceedings of Parliament.

17. (1) Chacun a le droit d'employer le français ou l'anglais dans les débats et travaux du Parlement.

Travaux du Parlement

Proceedings of New Brunswick legislature

(2) Everyone has the right to use English or French in any debates and other proceedings of the legislature of New Brunswick.

(2) Chacun a le droit d'employer le français ou l'anglais dans les débats et travaux de la Législature du Nouveau-Brunswick.

Travaux de la Législature du Nouveau-Brunswick

Parliamentary statutes and records

18. (1) The statutes, records and journals of Parliament shall be printed and published in English and French and both language versions are equally authoritative.

18. (1) Les lois, les archives, les comptes rendus et les procès-verbaux du Parlement sont imprimés et publiés en français et en anglais, les deux versions des lois ayant également force de loi et celles des autres documents ayant même valeur.

Documents parlementaires

New Brunswick statutes and records

(2) The statutes, records and journals of the legislature of New Brunswick shall be printed and published in English and French and both language versions are equally authoritative.

(2) Les lois, les archives, les comptes rendus et les procès-verbaux de la Législature du Nouveau-Brunswick sont imprimés et publiés en français et en anglais, les deux versions des lois ayant également force de loi et celles des autres documents ayant même valeur.

Documents de la Législature du Nouveau-Brunswick

Proceedings in courts established by Parliament

19. (1) Either English or French may be used by any person in, or in any pleading in or process issuing from, any court established by Parliament.

19. (1) Chacun a le droit d'employer le français ou l'anglais dans toutes les affaires dont sont saisis les tribunaux établis par le Parlement et dans tous les actes de procédure qui en découlent.

Procédures devant les tribunaux établis par le Parlement

Proceedings in New Brunswick courts

(2) Either English or French may be used by any person in, or in any pleading in or process issuing from, any court of New Brunswick.

(2) Chacun a le droit d'employer le français ou l'anglais dans toutes les affaires dont sont saisis les tribunaux du Nouveau-Brunswick et dans tous les actes de procédure qui en découlent.

Procédures devant les tribunaux du Nouveau-Brunswick

Communications by public with federal institutions

20. (1) Any member of the public in Canada has the right to communicate with, and to receive available services from, any head or central office of an institution of the Parliament or government of Canada in English or French, and has the same right with respect to any other office of any such institution where

(*a*) there is a significant demand for communications with and services from that office in such language; or

20. (1) Le public a, au Canada, droit à l'emploi du français ou de l'anglais pour communiquer avec le siège ou l'administration centrale des institutions du Parlement ou du gouvernement du Canada ou pour en recevoir les services; il a le même droit à l'égard de tout autre bureau de ces institutions là où, selon le cas :

a) l'emploi du français ou de l'anglais fait l'objet d'une demande importante;

b) l'emploi du français et de l'anglais se justifie par la vocation du bureau.

Communications entre les administrés et les institutions fédérales

(*b*) due to the nature of the office, it is reasonable that communications with and services from that office be available in both English and French.

Communications by public with New Brunswick institutions

(2) Any member of the public in New Brunswick has the right to communicate with, and to receive available services from, any office of an institution of the legislature or government of New Brunswick in English or French.

(2) Le public a, au Nouveau-Brunswick, droit à l'emploi du français ou de l'anglais pour communiquer avec tout bureau des institutions de la législature ou du gouvernement ou pour en recevoir les services.

Communications entre les administrés et les institutions du Nouveau-Brunswick

Continuation of existing constitutional provisions

21. Nothing in sections 16 to 20 abrogates or derogates from any right, privilege or obligation with respect to the English and French languages, or either of them, that exists or is continued by virtue of any other provision of the Constitution of Canada.

21. Les articles 16 à 20 n'ont pas pour effet, en ce qui a trait à la langue française ou anglaise ou à ces deux langues, de porter atteinte aux droits, privilèges ou obligations qui existent ou sont maintenus aux termes d'une autre disposition de la Constitution du Canada.

Maintien en vigueur de certaines dispositions

Rights and privileges preserved

22. Nothing in sections 16 to 20 abrogates or derogates from any legal or customary right or privilege acquired or enjoyed either before or after the coming into force of this Charter with respect to any language that is not English or French.

22. Les articles 16 à 20 n'ont pas pour effet de porter atteinte aux droits et privilèges, antérieurs ou postérieurs à l'entrée en vigueur de la présente charte et découlant de la loi ou de la coutume, des langues autres que le français ou l'anglais.

Droits préservés

Minority Language Educational Rights

Droits à l'instruction dans la langue de la minorité

Language of instruction

23. (1) Citizens of Canada

(*a*) whose first language learned and still understood is that of the English or French linguistic minority population of the province in which they reside, or

(*b*) who have received their primary school instruction in Canada in English or French and reside in a province where the language in which they received that instruction is the language of the English or French linguistic minority population of the province,

have the right to have their children receive primary and secondary school instruction in that language in that province.

23. (1) Les citoyens canadiens :

a) dont la première langue apprise et encore comprise est celle de la minorité francophone ou anglophone de la province où ils résident,

b) qui ont reçu leur instruction, au niveau primaire, en français ou en anglais au Canada et qui résident dans une province où la langue dans laquelle ils ont reçu cette instruction est celle de la minorité francophone ou anglophone de la province,

ont, dans l'un ou l'autre cas, le droit d'y faire instruire leurs enfants, aux niveaux primaire et secondaire, dans cette langue.

Langue d'instruction

Continuity of language instruction

(2) Citizens of Canada of whom any child has received or is receiving primary or secondary school instruction in English or French in Canada, have the right to have all their children receive primary and secondary school instruction in the same language.

(2) Les citoyens canadiens dont un enfant a reçu ou reçoit son instruction, au niveau primaire ou secondaire, en français ou en anglais au Canada ont le droit de faire instruire tous leurs enfants, aux niveaux primaire et secondaire, dans la langue de cette instruction.

Continuité d'emploi de la langue d'instruction

Application where numbers warrant

(3) The right of citizens of Canada under subsections (1) and (2) to have their children receive primary and secondary school instruction in the language of the English or French linguistic minority population of a province

(*a*) applies wherever in the province the number of children of citizens who have such a right is sufficient to warrant the provision to them out of public funds of minority language instruction; and

(*b*) includes, where the number of those children so warrants, the right to have them receive that instruction in minority language educational facilities provided out of public funds.

Justification par le nombre

(3) Le droit reconnu aux citoyens canadiens par les paragraphes (1) et (2) de faire instruire leurs enfants, aux niveaux primaire et secondaire, dans la langue de la minorité francophone ou anglophone d'une province :

a) s'exerce partout dans la province où le nombre des enfants des citoyens qui ont ce droit est suffisant pour justifier à leur endroit la prestation, sur les fonds publics, de l'instruction dans la langue de la minorité;

b) comprend, lorsque le nombre de ces enfants le justifie, le droit de les faire instruire dans des établissements d'enseignement de la minorité linguistique financés sur les fonds publics.

Enforcement

Enforcement of guaranteed rights and freedoms

24. (1) Anyone whose rights or freedoms, as guaranteed by this Charter, have been infringed or denied may apply to a court of competent jurisdiction to obtain such remedy as the court considers appropriate and just in the circumstances.

Exclusion of evidence bringing administration of justice into disrepute

(2) Where, in proceedings under subsection (1), a court concludes that evidence was obtained in a manner that infringed or denied any rights or freedoms guaranteed by this Charter, the evidence shall be excluded if it is established that, having regard to all the circumstances, the admission of it in the proceedings would bring the administration of justice into disrepute.

Recours

Recours en cas d'atteinte aux droits et libertés

24. (1) Toute personne, victime de violation ou de négation des droits ou libertés qui lui sont garantis par la présente charte, peut s'adresser à un tribunal compétent pour obtenir la réparation que le tribunal estime convenable et juste eu égard aux circonstances.

Irrecevabilité d'éléments de preuve qui risqueraient de déconsidérer l'administration de la justice

(2) Lorsque, dans une instance visée au paragraphe (1), le tribunal a conclu que des éléments de preuve ont été obtenus dans des conditions qui portent atteinte aux droits ou libertés garantis par la présente charte, ces éléments de preuve sont écartés s'il est établi, eu égard aux circonstances, que leur utilisation est susceptible de déconsidérer l'administration de la justice.

General

Aboriginal rights and freedoms not affected by Charter

25. The guarantee in this Charter of certain rights and freedoms shall not be construed so as to abrogate or derogate from any aboriginal, treaty or other rights or freedoms that pertain to the aboriginal peoples of Canada including

(*a*) any rights or freedoms that have been recognized by the Royal Proclamation of October 7, 1763; and

(*b*) any rights or freedoms that may be acquired by the aboriginal peoples of Canada by way of land claims settlement.

Dispositions générales

Maintien des droits et libertés des autochtones

25. Le fait que la présente charte garantit certains droits et libertés ne porte pas atteinte aux droits ou libertés — ancestraux, issus de traités ou autres — des peuples autochtones du Canada, notamment :

a) aux droits ou libertés reconnus par la Proclamation royale du 7 octobre 1763;

b) aux droits ou libertés acquis par règlement de revendications territoriales.

Other rights and freedoms not affected by Charter

26. The guarantee in this Charter of certain rights and freedoms shall not be con-

Maintien des autres droits et libertés

26. Le fait que la présente charte garantit certains droits et libertés ne constitue pas

strued as denying the existence of any other rights or freedoms that exist in Canada.

une négation des autres droits ou libertés qui existent au Canada.

Multicultural heritage

27. This Charter shall be interpreted in a manner consistent with the preservation and enhancement of the multicultural heritage of Canadians.

27. Toute interprétation de la présente charte doit concorder avec l'objectif de promouvoir le maintien et la valorisation du patrimoine multiculturel des Canadiens.

Maintien du patrimoine culturel

Rights guaranteed equally to both sexes

28. Notwithstanding anything in this Charter, the rights and freedoms referred to in it are guaranteed equally to male and female persons.

28. Indépendamment des autres dispositions de la présente charte, les droits et libertés qui y sont mentionnés sont garantis également aux personnes des deux sexes.

Égalité de garantie des droits pour les deux sexes

Rights respecting certain schools preserved

29. Nothing in this Charter abrogates or derogates from any rights or privileges guaranteed by or under the Constitution of Canada in respect of denominational, separate or dissentient schools.

29. Les dispositions de la présente charte ne portent pas atteinte aux droits ou privilèges garantis en vertu de la Constitution du Canada concernant les écoles séparées et autres écoles confessionnelles.

Maintien des droits relatifs à certaines écoles

Application to territories and territorial authorities

30. A reference in this Charter to a province or to the legislative assembly or legislature of a province shall be deemed to include a reference to the Yukon Territory and the Northwest Territories, or to the appropriate legislative authority thereof, as the case may be.

30. Dans la présente charte, les dispositions qui visent les provinces, leur législature ou leur assemblée législative visent également le territoire du Yukon, les territoires du Nord-Ouest ou leurs autorités législatives compétentes.

Application aux territoires

Legislative powers not extended

31. Nothing in this Charter extends the legislative powers of any body or authority.

31. La présente charte n'élargit pas les compétences législatives de quelque organisme ou autorité que ce soit.

Non-élargissement des compétences législatives

Application of Charter

Application de la charte

Application of Charter

32. (1) This Charter applies

(*a*) to the Parliament and government of Canada in respect of all matters within the authority of Parliament including all matters relating to the Yukon Territory and Northwest Territories; and

(*b*) to the legislature and government of each province in respect of all matters within the authority of the legislature of each province.

32. (1) La présente charte s'applique :

a) au Parlement et au gouvernement du Canada, pour tous les domaines relevant du Parlement, y compris ceux qui concernent le territoire du Yukon et les territoires du Nord-Ouest;

b) à la législature et au gouvernement de chaque province, pour tous les domaines relevant de cette législature.

Application de la charte

Exception

(2) Notwithstanding subsection (1), section 15 shall not have effect until three years after this section comes into force.

(2) Par dérogation au paragraphe (1), l'article 15 n'a d'effet que trois ans après l'entrée en vigueur du présent article.

Restriction

Exception where express declaration

33. (1) Parliament or the legislature of a province may expressly declare in an Act of Parliament or of the legislature, as the case may be, that the Act or a provision thereof shall operate notwithstanding a provision included in section 2 or sections 7 to 15 of this Charter.

33. (1) Le Parlement ou la législature d'une province peut adopter une loi où il est expressément déclaré que celle-ci ou une de ses dispositions a effet indépendamment d'une disposition donnée de l'article 2 ou des articles 7 à 15 de la présente charte.

Dérogation par déclaration expresse

Operation of exception

(2) An Act or a provision of an Act in respect of which a declaration made under this section is in effect shall have such operation as it would have but for the provision of this Charter referred to in the declaration.

(2) La loi ou la disposition qui fait l'objet d'une déclaration conforme au présent article et en vigueur a l'effet qu'elle aurait sauf la disposition en cause de la charte.

Effet de la dérogation

Five year limitation

(3) A declaration made under subsection (1) shall cease to have effect five years after it comes into force or on such earlier date as may be specified in the declaration.

(3) La déclaration visée au paragraphe (1) cesse d'avoir effet à la date qui y est précisée ou, au plus tard, cinq ans après son entrée en vigueur.

Durée de validité

Re-enactment

(4) Parliament or a legislature of a province may re-enact a declaration made under subsection (1).

(4) Le Parlement ou une législature peut adopter de nouveau une déclaration visée au paragraphe (1).

Nouvelle adoption

Five year limitation

(5) Subsection (3) applies in respect of a re-enactment made under subsection (4).

(5) Le paragraphe (3) s'applique à toute déclaration adoptée sous le régime du paragraphe (4).

Durée de validité

Citation

Titre

Citation

34. This Part may be cited as the *Canadian Charter of Rights and Freedoms*.

34. Titre de la présente partie : *Charte canadienne des droits et libertés*.

Titre

PART II

RIGHTS OF THE ABORIGINAL PEOPLES OF CANADA

PARTIE II

DROITS DES PEUPLES AUTOCHTONES DU CANADA

Recognition of existing aboriginal and treaty rights

35. (1) The existing aboriginal and treaty rights of the aboriginal peoples of Canada are hereby recognized and affirmed.

35. (1) Les droits existants — ancestraux ou issus de traités — des peuples autochtones du Canada sont reconnus et confirmés.

Confirmation des droits existants des peuples autochtones

Definition of "aboriginal peoples of Canada"

(2) In this Act, "aboriginal peoples of Canada" includes the Indian, Inuit and Métis peoples of Canada.

(2) Dans la présente loi, «peuples autochtones du Canada» s'entend notamment des Indiens, des Inuit et des Métis du Canada.

Définition de «peuples autochtones du Canada»

PART III

EQUALIZATION AND REGIONAL DISPARITIES

PARTIE III

PÉRÉQUATION ET INÉGALITÉS RÉGIONALES

Commitment to promote equal opportunities

36. (1) Without altering the legislative authority of Parliament or of the provincial legislatures, or the rights of any of them with respect to the exercise of their legislative authority, Parliament and the legislatures, together with the government of Canada and the provincial governments, are committed to

(*a*) promoting equal opportunities for the well-being of Canadians;

(*b*) furthering economic development to reduce disparity in opportunities; and

(*c*) providing essential public services of reasonable quality to all Canadians.

36. (1) Sous réserve des compétences législatives du Parlement et des législatures et de leur droit de les exercer, le Parlement et les législatures, ainsi que les gouvernements fédéral et provinciaux, s'engagent à :

a) promouvoir l'égalité des chances de tous les Canadiens dans la recherche de leur bien-être;

b) favoriser le développement économique pour réduire l'inégalité des chances;

c) fournir à tous les Canadiens, à un niveau de qualité acceptable, les services publics essentiels.

Engagements relatifs à l'égalité des chances

Commitment respecting public services

(2) Parliament and the government of Canada are committed to the principle of making equalization payments to ensure that provincial governments have sufficient revenues to provide reasonably comparable levels of public services at reasonably comparable levels of taxation.

Engagement relatif aux services publics

(2) Le Parlement et le gouvernement du Canada prennent l'engagement de principe de faire des paiements de péréquation propres à donner aux gouvernements provinciaux des revenus suffisants pour les mettre en mesure d'assurer les services publics à un niveau de qualité et de fiscalité sensiblement comparables.

PART IV

CONSTITUTIONAL CONFERENCE

PARTIE IV

CONFÉRENCE CONSTITUTIONNELLE

Constitutional conference

37. (1) A constitutional conference composed of the Prime Minister of Canada and the first ministers of the provinces shall be convened by the Prime Minister of Canada within one year after this Part comes into force.

Conférence constitutionnelle

37. (1) Dans l'année suivant l'entrée en vigueur de la présente partie, le premier ministre du Canada convoque une conférence constitutionnelle réunissant les premiers ministres provinciaux et lui-même.

Participation of aboriginal peoples

(2) The conference convened under subsection (1) shall have included in its agenda an item respecting constitutional matters that directly affect the aboriginal peoples of Canada, including the identification and definition of the rights of those peoples to be included in the Constitution of Canada, and the Prime Minister of Canada shall invite representatives of those peoples to participate in the discussions on that item.

Participation des peuples autochtones

(2) Sont placées à l'ordre du jour de la conférence visée au paragraphe (1) les questions constitutionnelles qui intéressent directement les peuples autochtones du Canada, notamment la détermination et la définition des droits de ces peuples à inscrire dans la Constitution du Canada. Le premier ministre du Canada invite leurs représentants à participer aux travaux relatifs à ces questions.

Participation of territories

(3) The Prime Minister of Canada shall invite elected representatives of the governments of the Yukon Territory and the Northwest Territories to participate in the discussions on any item on the agenda of the conference convened under subsection (1) that, in the opinion of the Prime Minister, directly affects the Yukon Territory and the Northwest Territories.

Participation des territoires

(3) Le premier ministre du Canada invite des représentants élus des gouvernements du territoire du Yukon et des territoires du Nord-Ouest à participer aux travaux relatifs à toute question placée à l'ordre du jour de la conférence visée au paragraphe (1) et qui, selon lui, intéresse directement le territoire du Yukon et les territoires du Nord-Ouest.

PART V

PROCEDURE FOR AMENDING CONSTITUTION OF CANADA

PARTIE V

PROCÉDURE DE MODIFICATION DE LA CONSTITUTION DU CANADA

General procedure for amending Constitution of Canada

38. (1) An amendment to the Constitution of Canada may be made by proclamation issued by the Governor General under the Great Seal of Canada where so authorized by

(*a*) resolutions of the Senate and House of Commons; and

(*b*) resolutions of the legislative assemblies of at least two-thirds of the provinces

Procédure normale de modification

38. (1) La Constitution du Canada peut être modifiée par proclamation du gouverneur général sous le grand sceau du Canada, autorisée à la fois :

a) par des résolutions du Sénat et de la Chambre des communes;

b) par des résolutions des assemblées législatives d'au moins deux tiers des provinces dont la population confondue repré-

that have, in the aggregate, according to the then latest general census, at least fifty per cent of the population of all the provinces.

sente, selon le recensement général le plus récent à l'époque, au moins cinquante pour cent de la population de toutes les provinces.

Majority of members

(2) An amendment made under subsection (1) that derogates from the legislative powers, the proprietary rights or any other rights or privileges of the legislature or government of a province shall require a resolution supported by a majority of the members of each of the Senate, the House of Commons and the legislative assemblies required under subsection (1).

(2) Une modification faite conformément au paragraphe (1) mais dérogatoire à la compétence législative, aux droits de propriété ou à tous autres droits ou privilèges d'une législature ou d'un gouvernement provincial exige une résolution adoptée à la majorité des sénateurs, des députés fédéraux et des députés de chacune des assemblées législatives du nombre requis de provinces.

Majorité simple

Expression of dissent

(3) An amendment referred to in subsection (2) shall not have effect in a province the legislative assembly of which has expressed its dissent thereto by resolution supported by a majority of its members prior to the issue of the proclamation to which the amendment relates unless that legislative assembly, subsequently, by resolution supported by a majority of its members, revokes its dissent and authorizes the amendment.

(3) La modification visée au paragraphe (2) est sans effet dans une province dont l'assemblée législative a, avant la prise de la proclamation, exprimé son désaccord par une résolution adoptée à la majorité des députés, sauf si cette assemblée, par résolution également adoptée à la majorité, revient sur son désaccord et autorise la modification.

Désaccord

Revocation of dissent

(4) A resolution of dissent made for the purposes of subsection (3) may be revoked at any time before or after the issue of the proclamation to which it relates.

(4) La résolution de désaccord visée au paragraphe (3) peut être révoquée à tout moment, indépendamment de la date de la proclamation à laquelle elle se rapporte.

Levée du désaccord

Restriction on proclamation

39. (1) A proclamation shall not be issued under subsection 38(1) before the expiration of one year from the adoption of the resolution initiating the amendment procedure thereunder, unless the legislative assembly of each province has previously adopted a resolution of assent or dissent.

39. (1) La proclamation visée au paragraphe 38(1) ne peut être prise dans l'année suivant l'adoption de la résolution à l'origine de la procédure de modification que si l'assemblée législative de chaque province a préalablement adopté une résolution d'agrément ou de désaccord.

Restriction

Idem

(2) A proclamation shall not be issued under subsection 38(1) after the expiration of three years from the adoption of the resolution initiating the amendment procedure thereunder.

(2) La proclamation visée au paragraphe 38(1) ne peut être prise que dans les trois ans suivant l'adoption de la résolution à l'origine de la procédure de modification.

Idem

Compensation

40. Where an amendment is made under subsection 38(1) that transfers provincial legislative powers relating to education or other cultural matters from provincial legislatures to Parliament, Canada shall provide reasonable compensation to any province to which the amendment does not apply.

40. Le Canada fournit une juste compensation aux provinces auxquelles ne s'applique pas une modification faite conformément au paragraphe 38(1) et relative, en matière d'éducation ou dans d'autres domaines culturels, à un transfert de compétences législatives provinciales au Parlement.

Compensation

Amendment by unanimous consent

41. An amendment to the Constitution of Canada in relation to the following matters

41. Toute modification de la Constitution du Canada portant sur les questions suivan-

Consentement unanime

may be made by proclamation issued by the Governor General under the Great Seal of Canada only where authorized by resolutions of the Senate and House of Commons and of the legislative assembly of each province:

(*a*) the office of the Queen, the Governor General and the Lieutenant Governor of a province;

(*b*) the right of a province to a number of members in the House of Commons not less than the number of Senators by which the province is entitled to be represented at the time this Part comes into force;

(*c*) subject to section 43, the use of the English or the French language;

(*d*) the composition of the Supreme Court of Canada; and

(*e*) an amendment to this Part.

Amendment by general procedure

42. (1) An amendment to the Constitution of Canada in relation to the following matters may be made only in accordance with subsection 38(1):

(*a*) the principle of proportionate representation of the provinces in the House of Commons prescribed by the Constitution of Canada;

(*b*) the powers of the Senate and the method of selecting Senators;

(*c*) the number of members by which a province is entitled to be represented in the Senate and the residence qualifications of Senators;

(*d*) subject to paragraph 41(*d*), the Supreme Court of Canada;

(*e*) the extension of existing provinces into the territories; and

(*f*) notwithstanding any other law or practice, the establishment of new provinces.

Exception

(2) Subsections 38(2) to (4) do not apply in respect of amendments in relation to matters referred to in subsection (1).

Amendment of provisions relating to some but not all provinces

43. An amendment to the Constitution of Canada in relation to any provision that applies to one or more, but not all, provinces, including

(*a*) any alteration to boundaries between provinces, and

tes se fait par proclamation du gouverneur général sous le grand sceau du Canada, autorisée par des résolutions du Sénat, de la Chambre des communes et de l'assemblée législative de chaque province :

a) la charge de Reine, celle de gouverneur général et celle de lieutenant-gouverneur;

b) le droit d'une province d'avoir à la Chambre des communes un nombre de députés au moins égal à celui des sénateurs par lesquels elle est habilitée à être représentée lors de l'entrée en vigueur de la présente partie;

c) sous réserve de l'article 43, l'usage du français ou de l'anglais;

d) la composition de la Cour suprême du Canada;

e) la modification de la présente partie.

Procédure normale de modification

42. (1) Toute modification de la Constitution du Canada portant sur les questions suivantes se fait conformément au paragraphe 38(1) :

a) le principe de la représentation proportionnelle des provinces à la Chambre des communes prévu par la Constitution du Canada;

b) les pouvoirs du Sénat et le mode de sélection des sénateurs;

c) le nombre des sénateurs par lesquels une province est habilitée à être représentée et les conditions de résidence qu'ils doivent remplir;

d) sous réserve de l'alinéa 41*d*), la Cour suprême du Canada;

e) le rattachement aux provinces existantes de tout ou partie des territoires;

f) par dérogation à toute autre loi ou usage, la création de provinces.

Exception

(2) Les paragraphes 38(2) à (4) ne s'appliquent pas aux questions mentionnées au paragraphe (1).

Modification à l'égard de certaines provinces

43. Les dispositions de la Constitution du Canada applicables à certaines provinces seulement ne peuvent être modifiées que par proclamation du gouverneur général sous le grand sceau du Canada, autorisée par des résolutions du Sénat, de la Chambre des

(*b*) any amendment to any provision that relates to the use of the English or the French language within a province,

may be made by proclamation issued by the Governor General under the Great Seal of Canada only where so authorized by resolutions of the Senate and House of Commons and of the legislative assembly of each province to which the amendment applies.

communes et de l'assemblée législative de chaque province concernée. Le présent article s'applique notamment :

a) aux changements du tracé des frontières interprovinciales;

b) aux modifications des dispositions relatives à l'usage du français ou de l'anglais dans une province.

Amendments by Parliament

44. Subject to sections 41 and 42, Parliament may exclusively make laws amending the Constitution of Canada in relation to the executive government of Canada or the Senate and House of Commons.

44. Sous réserve des articles 41 et 42, le Parlement a compétence exclusive pour modifier les dispositions de la Constitution du Canada relatives au pouvoir exécutif fédéral, au Sénat ou à la Chambre des communes.

Modification par le Parlement

Amendments by provincial legislatures

45. Subject to section 41, the legislature of each province may exclusively make laws amending the constitution of the province.

45. Sous réserve de l'article 41, une législature a compétence exclusive pour modifier la constitution de sa province.

Modification par les législatures

Initiation of amendment procedures

46. (1) The procedures for amendment under sections 38, 41, 42 and 43 may be initiated either by the Senate or the House of Commons or by the legislative assembly of a province.

46. (1) L'initiative des procédures de modification visées aux articles 38, 41, 42 et 43 appartient au Sénat, à la Chambre des communes ou à une assemblée législative.

Initiative des procédures

Revocation of authorization

(2) A resolution of assent made for the purposes of this Part may be revoked at any time before the issue of a proclamation authorized by it.

(2) Une résolution d'agrément adoptée dans le cadre de la présente partie peut être révoquée à tout moment avant la date de la proclamation qu'elle autorise.

Possibilité de révocation

Amendments without Senate resolution

47. (1) An amendment to the Constitution of Canada made by proclamation under section 38, 41, 42 or 43 may be made without a resolution of the Senate authorizing the issue of the proclamation if, within one hundred and eighty days after the adoption by the House of Commons of a resolution authorizing its issue, the Senate has not adopted such a resolution and if, at any time after the expiration of that period, the House of Commons again adopts the resolution.

47. (1) Dans les cas visés à l'article 38, 41, 42 ou 43, il peut être passé outre au défaut d'autorisation du Sénat si celui-ci n'a pas adopté de résolution dans un délai de cent quatre-vingts jours suivant l'adoption de celle de la Chambre des communes et si cette dernière, après l'expiration du délai, adopte une nouvelle résolution dans le même sens.

Modification sans résolution du Sénat

Computation of period

(2) Any period when Parliament is prorogued or dissolved shall not be counted in computing the one hundred and eighty day period referred to in subsection (1).

(2) Dans la computation du délai visé au paragraphe (1), ne sont pas comptées les périodes pendant lesquelles le Parlement est prorogé ou dissous.

Computation du délai

Advice to issue proclamation

48. The Queen's Privy Council for Canada shall advise the Governor General to issue a proclamation under this Part forthwith on the adoption of the resolutions

48. Le Conseil privé de la Reine pour le Canada demande au gouverneur général de prendre, conformément à la présente partie, une proclamation dès l'adoption des résolu-

Demande de proclamation

required for an amendment made by proclamation under this Part.

Constitutional conference

49. A constitutional conference composed of the Prime Minister of Canada and the first ministers of the provinces shall be convened by the Prime Minister of Canada within fifteen years after this Part comes into force to review the provisions of this Part.

PART VI

AMENDMENT TO THE CONSTITUTION ACT, 1867

Amendment to *Constitution Act, 1867*

50. The *Constitution Act, 1867* (formerly named the *British North America Act, 1867*) is amended by adding thereto, immediately after section 92 thereof, the following heading and section:

"*Non-Renewable Natural Resources, Forestry Resources and Electrical Energy*

Laws respecting non-renewable natural resources, forestry resources and electrical energy

92A. (1) In each province, the legislature may exclusively make laws in relation to

(*a*) exploration for non-renewable natural resources in the province;

(*b*) development, conservation and management of non-renewable natural resources and forestry resources in the province, including laws in relation to the rate of primary production therefrom; and

(*c*) development, conservation and management of sites and facilities in the province for the generation and production of electrical energy.

Export from provinces of resources

(2) In each province, the legislature may make laws in relation to the export from the province to another part of Canada of the primary production from non-renewable natural resources and forestry resources in the province and the production from facilities in the province for the generation of electrical energy, but such laws may not authorize or provide for discrimination in prices or in supplies exported to another part of Canada.

tions prévues par cette partie pour une modification par proclamation.

Conférence constitutionnelle

49. Dans les quinze ans suivant l'entrée en vigueur de la présente partie, le premier ministre du Canada convoque une conférence constitutionnelle réunissant les premiers ministres provinciaux et lui-même, en vue du réexamen des dispositions de cette partie.

PARTIE VI

MODIFICATION DE LA LOI CONSTITUTIONNELLE DE 1867

Modification de la *Loi constitutionnelle de 1867*

50. La *Loi constitutionnelle de 1867* (antérieurement désignée sous le titre : *Acte de l'Amérique du Nord britannique, 1867*) est modifiée par insertion, après l'article 92, de la rubrique et de l'article suivants :

«*Ressources naturelles non renouvelables, ressources forestières et énergie électrique*

Compétence provinciale

92A. (1) La législature de chaque province a compétence exclusive pour légiférer dans les domaines suivants :

a) prospection des ressources naturelles non renouvelables de la province;

b) exploitation, conservation et gestion des ressources naturelles non renouvelables et des ressources forestières de la province, y compris leur rythme de production primaire;

c) aménagement, conservation et gestion des emplacements et des installations de la province destinés à la production d'énergie électrique.

Exportation hors des provinces

(2) La législature de chaque province a compétence pour légiférer en ce qui concerne l'exportation, hors de la province, à destination d'une autre partie du Canada, de la production primaire tirée des ressources naturelles non renouvelables et des ressources forestières de la province, ainsi que de la production d'énergie électrique de la province, sous réserve de ne pas adopter de lois autorisant ou prévoyant des disparités de prix ou des disparités dans les exportations destinées à une autre partie du Canada.

Authority of Parliament

(3) Nothing in subsection (2) derogates from the authority of Parliament to enact laws in relation to the matters referred to in that subsection and, where such a law of Parliament and a law of a province conflict, the law of Parliament prevails to the extent of the conflict.

(3) Le paragraphe (2) ne porte pas atteinte au pouvoir du Parlement de légiférer dans les domaines visés à ce paragraphe, les dispositions d'une loi du Parlement adoptée dans ces domaines l'emportant sur les dispositions incompatibles d'une loi provinciale.

Pouvoir du Parlement

Taxation of resources

(4) In each province, the legislature may make laws in relation to the raising of money by any mode or system of taxation in respect of

(*a*) non-renewable natural resources and forestry resources in the province and the primary production therefrom, and

(*b*) sites and facilities in the province for the generation of electrical energy and the production therefrom,

whether or not such production is exported in whole or in part from the province, but such laws may not authorize or provide for taxation that differentiates between production exported to another part of Canada and production not exported from the province.

(4) La législature de chaque province a compétence pour prélever des sommes d'argent par tout mode ou système de taxation :

a) des ressources naturelles non renouvelables et des ressources forestières de la province, ainsi que de la production primaire qui en est tirée;

b) des emplacements et des installations de la province destinés à la production d'énergie électrique, ainsi que de cette production même.

Cette compétence peut s'exercer indépendamment du fait que la production en cause soit ou non, en totalité ou en partie, exportée hors de la province, mais les lois adoptées dans ces domaines ne peuvent autoriser ou prévoir une taxation qui établisse une distinction entre la production exportée à destination d'une autre partie du Canada et la production non exportée hors de la province.

Taxation des ressources

"Primary production"

(5) The expression "primary production" has the meaning assigned by the Sixth Schedule.

(5) L'expression «production primaire» a le sens qui lui est donné dans la sixième annexe.

«Production primaire»

Existing powers or rights

(6) Nothing in subsections (1) to (5) derogates from any powers or rights that a legislature or government of a province had immediately before the coming into force of this section."

(6) Les paragraphes (1) à (5) ne portent pas atteinte aux pouvoirs ou droits détenus par la législature ou le gouvernement d'une province lors de l'entrée en vigueur du présent article.»

Pouvoirs ou droits existants

Idem

51. The said Act is further amended by adding thereto the following Schedule:

51. Ladite loi est en outre modifiée par adjonction de l'annexe suivante :

Idem

"THE SIXTH SCHEDULE

Primary Production from Non-Renewable Natural Resources and Forestry Resources

1. For the purposes of section 92A of this Act,

«SIXIÈME ANNEXE

Production primaire tirée des ressources naturelles non renouvelables et des ressources forestières

1. Pour l'application de l'article 92A :

(*a*) production from a non-renewable natural resource is primary production therefrom if

(i) it is in the form in which it exists upon its recovery or severance from its natural state, or

(ii) it is a product resulting from processing or refining the resource, and is not a manufactured product or a product resulting from refining crude oil, refining upgraded heavy crude oil, refining gases or liquids derived from coal or refining a synthetic equivalent of crude oil; and

(*b*) production from a forestry resource is primary production therefrom if it consists of sawlogs, poles, lumber, wood chips, sawdust or any other primary wood product, or wood pulp, and is not a product manufactured from wood."

a) on entend par production primaire tirée d'une ressource naturelle non renouvelable :

(i) soit le produit qui se présente sous la même forme que lors de son extraction du milieu naturel,

(ii) soit le produit non manufacturé de la transformation, du raffinage ou de l'affinage d'une ressource, à l'exception du produit du raffinage du pétrole brut, du raffinage du pétrole brut lourd amélioré, du raffinage des gaz ou des liquides dérivés du charbon ou du raffinage d'un équivalent synthétique du pétrole brut;

b) on entend par production primaire tirée d'une ressource forestière la production constituée de billots, de poteaux, de bois d'œuvre, de copeaux, de sciure ou d'autre produit primaire du bois, ou de pâte de bois, à l'exception d'un produit manufacturé en bois.»

PART VII

GENERAL

Primacy of Constitution of Canada

52. (1) The Constitution of Canada is the supreme law of Canada, and any law that is inconsistent with the provisions of the Constitution is, to the extent of the inconsistency, of no force or effect.

Constitution of Canada

(2) The Constitution of Canada includes

(*a*) the *Canada Act*, including this Act;

(*b*) the Acts and orders referred to in Schedule I; and

(*c*) any amendment to any Act or order referred to in paragraph (*a*) or (*b*).

Amendments to Constitution of Canada

(3) Amendments to the Constitution of Canada shall be made only in accordance with the authority contained in the Constitution of Canada.

Repeals and new names

53. (1) The enactments referred to in Column I of Schedule I are hereby repealed or amended to the extent indicated in Column II thereof and, unless repealed, shall continue as law in Canada under the names set out in Column III thereof.

PARTIE VII

DISPOSITIONS GÉNÉRALES

Primauté de la Constitution du Canada

52. (1) La Constitution du Canada est la loi suprême du Canada; elle rend inopérantes les dispositions incompatibles de toute autre règle de droit.

Constitution du Canada

(2) La Constitution du Canada comprend :

a) la *Loi sur le Canada*, y compris la présente loi;

b) les textes législatifs et les décrets figurant à l'annexe I;

c) les modifications des textes législatifs et des décrets mentionnés aux alinéas *a*) ou *b*).

Modification

(3) La Constitution du Canada ne peut être modifiée que conformément aux pouvoirs conférés par elle.

Abrogation et nouveaux titres

53. (1) Les textes législatifs et les décrets énumérés à la colonne I de l'annexe I sont abrogés ou modifiés dans la mesure indiquée à la colonne II. Sauf abrogation, ils restent en vigueur en tant que lois du Canada sous les titres mentionnés à la colonne III.

Consequential amendments

(2) Every enactment, except the *Canada Act*, that refers to an enactment referred to in Schedule I by the name in Column I thereof is hereby amended by substituting for that name the corresponding name in Column III thereof, and any British North America Act not referred to in Schedule I may be cited as the *Constitution Act* followed by the year and number, if any, of its enactment.

Modifications corrélatives

(2) Tout texte législatif ou réglementaire, sauf la *Loi sur le Canada*, qui fait mention d'un texte législatif ou décret figurant à l'annexe I par le titre indiqué à la colonne I est modifié par substitution à ce titre du titre correspondant mentionné à la colonne III; tout Acte de l'Amérique du Nord britannique non mentionné à l'annexe I peut être cité sous le titre de *Loi constitutionnelle* suivi de l'indication de l'année de son adoption et éventuellement de son numéro.

Repeal and consequential amendments

54. Part IV is repealed on the day that is one year after this Part comes into force and this section may be repealed and this Act renumbered, consequential upon the repeal of Part IV and this section, by proclamation issued by the Governor General under the Great Seal of Canada.

Abrogation et modifications qui en découlent

54. La partie IV est abrogée un an après l'entrée en vigueur de la présente partie et le gouverneur général peut, par proclamation sous le grand sceau du Canada, abroger le présent article et apporter en conséquence de cette double abrogation les aménagements qui s'imposent à la présente loi.

French version of Constitution of Canada

55. A French version of the portions of the Constitution of Canada referred to in Schedule I shall be prepared by the Minister of Justice of Canada as expeditiously as possible and, when any portion thereof sufficient to warrant action being taken has been so prepared, it shall be put forward for enactment by proclamation issued by the Governor General under the Great Seal of Canada pursuant to the procedure then applicable to an amendment of the same provisions of the Constitution of Canada.

Version française de certains textes constitutionnels

55. Le ministre de la Justice du Canada est chargé de rédiger, dans les meilleurs délais, la version française des parties de la Constitution du Canada qui figurent à l'annexe I; toute partie suffisamment importante est, dès qu'elle est prête, déposée pour adoption par proclamation du gouverneur général sous le grand sceau du Canada, conformément à la procédure applicable à l'époque à la modification des dispositions constitutionnelles qu'elle contient.

English and French versions of certain constitutional texts

56. Where any portion of the Constitution of Canada has been or is enacted in English and French or where a French version of any portion of the Constitution is enacted pursuant to section 55, the English and French versions of that portion of the Constitution are equally authoritative.

Versions française et anglaise de certains textes constitutionnels

56. Les versions française et anglaise des parties de la Constitution du Canada adoptées dans ces deux langues ont également force de loi. En outre, ont également force de loi, dès l'adoption, dans le cadre de l'article 55, d'une partie de la version française de la Constitution, cette partie et la version anglaise correspondante.

English and French versions of this Act

57. The English and French versions of this Act are equally authoritative.

Versions française et anglaise de la présente loi

57. Les versions française et anglaise de la présente loi ont également force de loi.

Commencement

58. Subject to section 59, this Act shall come into force on a day to be fixed by proclamation issued by the Queen or the Governor General under the Great Seal of Canada.

Entrée en vigueur

58. Sous réserve de l'article 59, la présente loi entre en vigueur à la date fixée par proclamation de la Reine ou du gouverneur général sous le grand sceau du Canada.

Commencement of paragraph 23(1)(*a*) in respect of Quebec

59. (1) Paragraph 23(1)(*a*) shall come into force in respect of Quebec on a day to be

Entrée en vigueur de l'alinéa 23(1)*a*) pour le Québec

59. (1) L'alinéa 23(1)*a*) entre en vigueur pour le Québec à la date fixée par proclama-

fixed by proclamation issued by the Queen or the Governor General under the Great Seal of Canada.

tion de la Reine ou du gouverneur général sous le grand sceau du Canada.

Authorization of Quebec

(2) A proclamation under subsection (1) shall be issued only where authorized by the legislative assembly or government of Quebec.

(2) La proclamation visée au paragraphe (1) ne peut être prise qu'après autorisation de l'assemblée législative ou du gouvernement du Québec.

Autorisation du Québec

Repeal of this section

(3) This section may be repealed on the day paragraph 23(1)(*a*) comes into force in respect of Quebec and this Act amended and renumbered, consequential upon the repeal of this section, by proclamation issued by the Queen or the Governor General under the Great Seal of Canada.

(3) Le présent article peut être abrogé à la date d'entrée en vigueur de l'alinéa 23(1)*a*) pour le Québec, et la présente loi faire l'objet, dès cette abrogation, des modifications et changements de numérotation qui en découlent, par proclamation de la Reine ou du gouverneur général sous le grand sceau du Canada.

Abrogation du présent article

Short title and citations

60. This Act may be cited as the *Constitution Act, 1981*, and the Constitution Acts 1867 to 1975 (No. 2) and this Act may be cited together as the *Constitution Acts, 1867 to 1981*.

60. Titre abrégé de la présente annexe : *Loi constitutionnelle de 1981*; titre commun des lois constitutionnelles de 1867 à 1975 (nº 2) et de la présente loi : *Lois constitutionnelles de 1867 à 1981*.

Titres

SCHEDULE I

to the

CONSTITUTION ACT, 1981

MODERNIZATION OF THE CONSTITUTION

Item	Column I Act Affected	Column II Amendment	Column III New Name
1.	British North America Act, 1867, 30-31 Vict., c. 3 (U.K.)	(1) Section 1 is repealed and the following substituted therefor: "1. This Act may be cited as the *Constitution Act, 1867*." (2) Section 20 is repealed. (3) Class 1 of section 91 is repealed. (4) Class 1 of section 92 is repealed.	Constitution Act, 1867
2.	An Act to amend and continue the Act 32-33 Victoria chapter 3; and to establish and provide for the Government of the Province of Manitoba, 1870, 33 Vict., c. 3 (Can.)	(1) The long title is repealed and the following substituted therefor: "*Manitoba Act, 1870*." (2) Section 20 is repealed.	Manitoba Act, 1870
3.	Order of Her Majesty in Council admitting Rupert's Land and the North-Western Territory into the union, dated the 23rd day of June, 1870		Rupert's Land and North-Western Territory Order
4.	Order of Her Majesty in Council admitting British Columbia into the Union, dated the 16th day of May, 1871		British Columbia Terms of Union
5.	British North America Act, 1871, 34-35 Vict., c. 28 (U.K.)	Section 1 is repealed and the following substituted therefor: "1. This Act may be cited as the *Constitution Act, 1871*."	Constitution Act, 1871
6.	Order of Her Majesty in Council admitting Prince Edward Island into the Union, dated the 26th day of June, 1873		Prince Edward Island Terms of Union
7.	Parliament of Canada Act, 1875, 38-39 Vict., c. 38 (U.K.)		Parliament of Canada Act, 1875
8.	Order of Her Majesty in Council admitting all British possessions and Territories in North America and islands adjacent thereto into the Union, dated the 31st day of July, 1880		Adjacent Territories Order

ANNEXE I

LOI CONSTITUTIONNELLE DE 1981

ACTUALISATION DE LA CONSTITUTION

	Colonne I Loi visée	Colonne II Modification	Colonne III Nouveau titre
1.	Acte de l'Amérique du Nord britannique, 1867, 30-31 Vict., c. 3 (R.-U.)	(1) L'article 1 est abrogé et remplacé par ce qui suit : «1. Titre abrégé : *Loi constitutionnelle de 1867*.» (2) L'article 20 est abrogé. (3) La catégorie 1 de l'article 91 est abrogée. (4) La catégorie 1 de l'article 92 est abrogée.	Loi constitutionnelle de 1867
2.	Acte pour amender et continuer l'acte trente-deux et trente-trois Victoria, chapitre trois, et pour établir et constituer le gouvernement de la province de Manitoba, 1870, 33 Vict., c. 3 (Canada)	(1) Le titre complet est abrogé et remplacé par ce qui suit : «*Loi de 1870 sur le Manitoba*.» (2) L'article 20 est abrogé.	Loi de 1870 sur le Manitoba
3.	Arrêté en conseil de Sa Majesté admettant la Terre de Rupert et le Territoire du Nord-Ouest, en date du 23 juin 1870		Décret en conseil sur la terre de Rupert et le territoire du Nord-Ouest
4.	Arrêté en conseil de Sa Majesté admettant la Colombie-Britannique, en date du 16 mai 1871		Conditions de l'adhésion de la Colombie-Britannique
5.	Acte de l'Amérique du Nord britannique, 1871, 34-35 Vict., c. 28 (R.-U.)	L'article 1 est abrogé et remplacé par ce qui suit : «1. Titre abrégé : *Loi constitutionnelle de 1871*.»	Loi constitutionnelle de 1871
6.	Arrêté en conseil de Sa Majesté admettant l'Île-du-Prince-Édouard, en date du 26 juin 1873		Conditions de l'adhésion de l'Île-du-Prince-Édouard
7.	Acte du Parlement du Canada, 1875, 38-39 Vict., c. 38 (R.-U.)		Loi de 1875 sur le Parlement du Canada
8.	Arrêté en conseil de Sa Majesté admettant dans l'Union tous les territoires et possessions britanniques dans l'Amérique du Nord, et les îles adjacentes à ces territoires et possessions, en date du 31 juillet 1880		Décret en conseil sur les territoires adjacents

SCHEDULE I

to the

CONSTITUTION ACT, 1981—*Continued*

Item	Column I Act Affected	Column II Amendment	Column III New Name
9.	British North America Act, 1886, 49-50 Vict., c. 35 (U.K.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Constitution Act, 1886*."	Constitution Act, 1886
10.	Canada (Ontario Boundary) Act, 1889, 52-53 Vict., c. 28 (U.K.)		Canada (Ontario Boundary) Act, 1889
11.	Canadian Speaker (Appointment of Deputy) Act, 1895, 2nd Sess., 59 Vict., c. 3 (U.K.)	The Act is repealed.	
12.	The Alberta Act, 1905, 4-5 Edw. VII, c. 3 (Can.)		Alberta Act
13.	The Saskatchewan Act, 1905, 4-5 Edw. VII, c. 42 (Can.)		Saskatchewan Act
14.	British North America Act, 1907, 7 Edw. VII, c. 11 (U.K.)	Section 2 is repealed and the following substituted therefor: "2. This Act may be cited as the *Constitution Act, 1907*."	Constitution Act, 1907
15.	British North America Act, 1915, 5-6 Geo. V, c. 45 (U.K.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Constitution Act, 1915*."	Constitution Act, 1915
16.	British North America Act, 1930, 20-21 Geo. V, c. 26 (U.K.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Constitution Act, 1930*."	Constitution Act, 1930
17.	Statute of Westminster, 1931, 22 Geo. V, c. 4 (U.K.)	In so far as they apply to Canada, (*a*) section 4 is repealed; and (*b*) subsection 7(1) is repealed.	Statute of Westminster, 1931
18.	British North America Act, 1940, 3-4 Geo. VI, c. 36 (U.K.)	Section 2 is repealed and the following substituted therefor: "2. This Act may be cited as the *Constitution Act, 1940*."	Constitution Act, 1940
19.	British North America Act, 1943, 6-7 Geo. VI, c. 30 (U.K.)	The Act is repealed.	

ANNEXE I (*suite*)

LOI CONSTITUTIONNELLE DE 1981

	Colonne I Loi visée	Colonne II Modification	Colonne III Nouveau titre
9.	Acte de l'Amérique du Nord britannique, 1886, 49-50 Vict., c. 35 (R.-U.)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi constitutionnelle de 1886.*»	Loi constitutionnelle de 1886
10.	Acte du Canada (limites d'Ontario) 1889, 52-53 Vict., c. 28 (R.-U.)		Loi de 1889 sur le Canada (frontières de l'Ontario)
11.	Acte concernant l'Orateur canadien (nomination d'un suppléant) 1895, 2e session, 59 Vict., c. 3 (R.-U.)	La loi est abrogée.	
12.	Acte de l'Alberta, 1905, 4-5 Ed. VII, c. 3 (Canada)		Loi sur l'Alberta
13.	Acte de la Saskatchewan, 1905, 4-5 Ed. VII, c. 42 (Canada)		Loi sur la Saskatchewan
14.	Acte de l'Amérique du Nord britannique, 1907, 7 Ed. VII, c. 11 (R.-U.)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé : *Loi constitutionnelle de 1907.*»	Loi constitutionnelle de 1907
15.	Acte de l'Amérique du Nord britannique, 1915, 5-6 Geo. V, c. 45 (R.-U.)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi constitutionnelle de 1915.*»	Loi constitutionnelle de 1915
16.	Acte de l'Amérique du Nord britannique, 1930, 20-21 Geo. V, c. 26 (R.-U.)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi constitutionnelle de 1930.*»	Loi constitutionnelle de 1930
17.	Statut de Westminster, 1931, 22 Geo. V, c. 4 (R.-U.)	Dans la mesure où ils s'appliquent au Canada : *a*) l'article 4 est abrogé; *b*) le paragraphe 7(1) est abrogé.	Statut de Westminster de 1931
18.	Acte de l'Amérique du Nord britannique, 1940, 3-4 Geo. VI, c. 36 (R.-U.)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé : *Loi constitutionnelle de 1940.*»	Loi constitutionnelle de 1940
19.	Acte de l'Amérique du Nord britannique, 1943, 6-7 Geo. VI, c. 30 (R.-U.)	La loi est abrogée.	

SCHEDULE I

to the

CONSTITUTION ACT, 1981—*Continued*

Item	Column I Act Affected	Column II Amendment	Column III New Name
20.	British North America Act, 1946, 9-10 Geo. VI, c. 63 (U.K.)	The Act is repealed.	
21.	British North America Act, 1949, 12-13 Geo. VI, c. 22 (U.K.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Newfoundland Act*."	Newfoundland Act
22.	British North America (No. 2) Act, 1949, 13 Geo. VI, c. 81 (U.K.)	The Act is repealed.	
23.	British North America Act, 1951, 14-15 Geo. VI, c. 32 (U.K.)	The Act is repealed.	
24.	British North America Act, 1952, 1 Eliz. II, c. 15 (Can.)	The Act is repealed.	
25.	British North America Act, 1960, 9 Eliz. II, c. 2 (U.K.)	Section 2 is repealed and the following substituted therefor: "2. This Act may be cited as the *Constitution Act, 1960*."	Constitution Act, 1960
26.	British North America Act, 1964, 12-13 Eliz. II, c. 73 (U.K.)	Section 2 is repealed and the following substituted therefor: "2. This Act may be cited as the *Constitution Act, 1964*."	Constitution Act, 1964
27.	British North America Act, 1965, 14 Eliz. II, c. 4, Part I (Can.)	Section 2 is repealed and the following substituted therefor: "2. This Part may be cited as the *Constitution Act, 1965*."	Constitution Act, 1965
28.	British North America Act, 1974, 23 Eliz. II, c. 13, Part I (Can.)	Section 3, as amended by 25-26 Eliz. II, c. 28, s. 38(1) (Can.), is repealed and the following substituted therefor: "3. This Part may be cited as the *Constitution Act, 1974*."	Constitution Act, 1974

ANNEXE I (*suite*)

LOI CONSTITUTIONNELLE DE 1981

	Colonne I Loi visée	Colonne II Modification	Colonne III Nouveau titre
20.	Acte de l'Amérique du Nord britannique, 1946, 9-10 Geo. VI, c. 63 (R.-U.)	La loi est abrogée.	
21.	Acte de l'Amérique du Nord britannique, 1949, 12-13 Geo. VI, c. 22 (R.-U.)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi sur Terre-Neuve.*»	Loi sur Terre-Neuve
22.	Acte de l'Amérique du Nord britannique (N° 2), 1949, 13 Geo. VI, c. 81 (R.-U.)	La loi est abrogée.	
23.	Acte de l'Amérique du Nord britannique, 1951, 14-15 Geo. VI, c. 32 (R.-U.)	La loi est abrogée.	
24.	Acte de l'Amérique du Nord britannique, 1952, 1 Eliz. II, c. 15 (Canada)	La loi est abrogée.	
25.	Acte de l'Amérique du Nord britannique, 1960, 9 Eliz. II, c. 2 (R.-U.)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé : *Loi constitutionnelle de 1960.*»	Loi constitutionnelle de 1960
26.	Acte de l'Amérique du Nord britannique, 1964, 12-13 Eliz. II, c. 73 (R.-U.)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé : *Loi constitutionnelle de 1964.*»	Loi constitutionnelle de 1964
27.	Acte de l'Amérique du Nord britannique, 1965, 14 Eliz. II, c. 4, Partie I (Canada)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé de la présente partie : *Loi constitutionnelle de 1965.*»	Loi constitutionnelle de 1965
28.	Acte de l'Amérique du Nord britannique, 1974, 23 Eliz. II, c. 13, Partie I (Canada)	L'article 3, modifié par le paragraphe 38(1) de la loi 25-26 Elizabeth II, c. 28 (Canada), est abrogé et remplacé par ce qui suit : «3. Titre abrégé de la présente partie : *Loi constitutionnelle de 1974.*»	Loi constitutionnelle de 1974

SCHEDULE I

to the

CONSTITUTION ACT, 1981—*Concluded*

Item	Column I Act Affected	Column II Amendment	Column III New Name
29.	British North America Act, 1975, 23-24 Eliz. II, c. 28, Part I (Can.)	Section 3, as amended by 25-26 Eliz. II, c. 28, s. 31 (Can.), is repealed and the following substituted therefor: "3. This Part may be cited as the *Constitution Act (No. 1), 1975*."	Constitution Act (No. 1), 1975
30.	British North America Act (No. 2), 1975, 23-24 Eliz. II, c. 53 (Can.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Constitution Act (No. 2), 1975*."	Constitution Act (No. 2), 1975

ANNEXE I (*fin*)

LOI CONSTITUTIONNELLE DE 1981

	Colonne I Loi visée	Colonne II Modification	Colonne III Nouveau titre
29.	Acte de l'Amérique du Nord britannique, 1975, 23-24 Eliz. II, c. 28, Partie I (Canada)	L'article 3, modifié par l'article 31 de la loi 25-26 Elizabeth II, c. 28 (Canada), est abrogé et remplacé par ce qui suit : «3. Titre abrégé de la présente partie : *Loi constitutionnelle nº 1 de 1975.*»	Loi constitutionnelle nº 1 de 1975
30.	Acte de l'Amérique du Nord britannique nº 2, 1975, 23-24 Eliz. II, c. 53 (Canada)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi constitutionnelle nº 2 de 1975.*»	Loi constitutionnelle nº 2 de 1975

The Constitution

Hon. Jake Epp (Provencher): Madam Speaker, I rise to participate in this debate once again. Subject to the House order that was agreed to unanimously on Friday, on behalf of the Conservative Party I intend to move an amendment. I shall read it first so that members of the House can be aware of its contents and possibly the reasons for the argument being made. Maybe that is a twist or an initiative that has not been too common in this House, but I will do it that way today. I move:

That the proposed Constitution Act 1981 be amended by striking out Clause 40 and substituting the following:

40. In the event that a province dissents from an amendment conferring legislative jurisdiction on Parliament, the Government of Canada shall provide reasonable compensation to the government of that province, taking into account the per capita costs to exercise that jurisdiction in the provinces which have approved the amendment.

Members of the House will recall the comments the Prime Minister (Mr. Trudeau) made in this House on Friday. I have reread his remarks this morning. He indicated that he would be receiving a telex from Premier Bennett, the chairman of the premiers, indicating that they had two points of view in mind. First, they did not want the accord to be broken; second, they did not want any further amendments. It is important that we consider this telex in the context in which it was made.

Nothwithstanding the Prime Minister's comments on Friday, I cannot believe that he or any of the premiers of the signatory provinces are willing to forgo an opportunity to improve the resolution to the point where the province of Quebec might be able to sign the accord. Every member of this party is concerned that the accord remain. We do not want to break the accord. Nor is it our intention today in moving this amendment, which we earlier told all parties we would move, in any way to jeopardize or weaken the accord.

It is important that all of us recognize that members of the Canadian Parliament are part of the process of constitutional change. It must be clearly understood that it is not only the premiers—although it is their decision and their decision only whether they want any legislative action in their legislatures regarding the Constitution—but also members of this House who must understand that Parliament is not simply a bystander waiting to rubberstamp that which has been agreed to.

This is not the time to address the question of federal-provincial conferences and what effect they have in terms of the parliamentary process in Canada. That is for another day. I am sure that the premiers fully recognize that the Parliament of Canada has a responsibility and, despite the Prime Minister's remarks on Friday, this party at least intends to fulfil its responsibilities in this House.

Some hon. Members: Hear, hear!

Mr. Epp: It is also important to recognize that the Accord signed on November 5 left the door open for the Prime Minister and this Parliament to make accommodations to Quebec which would put forward an olive branch, if you like, or the possibility of the people of Quebec feeling that they were part of the accord and the resolution that will go to Westminster later. That is the spirit in which we present the amendment today.

Whether the present government of Quebec has any intention of signing the accord is a point that I will not attempt to argue today but it is our responsibility to present to the people of Quebec a resolution that is generally acceptable to them because it addresses the traditional concerns of Quebecers and governments past.

I shall go on to argue that our concern is not solely with the province of Quebec but rather with the provinces of Canada, especially those that need equalization, because the amending formula must serve all of Canada for many years to come. I am stressing that it is an amendment not directed solely and only to Quebec, although obviously it addresses the question that surrounds that province's ability to join the accord; this amendment is one that is universally applicable to all provinces.

The amendment that I propose will reintroduce to the Constitution's amending formula a reasonable financial compensation to provinces opting out of a situation where powers or rights held since confederation are transferred to the central government in Ottawa.

Two points must be made at the outset. First, constitutional amendments to which reasonable financial compensation will apply are strictly limited to the contents of Section 37 of the resolution before us. It is important that Canadians understand that we are not proposing financial compensation to any province wanting to be an obstacle to any future constitutional change. It applies only to the case of proprietary rights of a province or other rights of a legislature, rights I must repeat and emphasize granted to the provinces by the Fathers of Confederation, and to powers held by the provinces where reasonable financial compensation could apply.

• (1510)

I believe it is also important to underline that this would be the only situation where a province could opt out and receive compensation. It would only be where those powers have been, in fact, transferred and where those powers have obviously been held by the provinces earlier. Opting out and financial compensation could never lead, in my mind, to less standardization or greater decentralization than we have in Canada today, and I intend to explain that. We would have a situation

where, instead of 10 different standards, there might be two or three or four. Additionally, provinces which had not opted in to a transfer of jurisdiction could, at any later date, decide to opt in. They could do that at any time. However, once any province agreed to transfer its jurisdiction, it could then not opt out again. In other words, once in, one could not get out.

Therefore, I would suggest that it could eventually lead, concerning issues I will point out, to greater standardization. For example, if a province refused to transfer power and the people of that province began to be upset that they did not share the same standards or arrangements as two-thirds of the rest of Canada, they would obviously apply pressure to their government to opt in, to have the same benefits and the same conditions. For example, we have already seeen the ability of popular opinion to pressure premiers, the provinces and the Prime Minister. Never has that been more evident than, for example, with Section 28 and Section 34 last week. Therefore, public pressure has changed the mind of the Prime Minister on an issue which has been very central to his administration and to the position in which he sees himself in historical terms.

On the other hand, if the people of the province were convinced that the province could look after the area with which they were dealing far better than the federal government, who could say that they were wrong? Why should they then not leave the matter within provincial jurisdiction? Opting out and financial compensation provide a protection for the unique character of every province, a uniqueness which was recognized by the founding Fathers of Confederation, not only because of the special character of the province of Quebec, I suggest to Your Honour, but also because of the special characters of the provinces of Nova Scotia, New Brunswick and Ontario; and also, I suggest, the special conditions prevailing in the provinces which entered confederation after the original four.

In my earlier remarks, I said that our amendment did not apply only to Quebec. In fact, this party has always been concerned that there be a so-called special status for any province. However, it is important that we look at what protection this amendment would, in fact, give to the province of Quebec. As my leader said in his remarks a few days ago, I, for one, am not a resident of that province, so some members in the House might ask why I am qualified to speak on this issue. I say to them that I believe it is important that hon. members from different provinces relate to the issues which are of importance in other provinces.

Therefore, I do not believe I have to be a Quebecer to understand the significance, for instance, of an article in Saturday's *La Presse* where the Quebec Liberal leader, Mr. Claude Ryan, revealed that in his view it was not the intention of the Prime Minister to approach power sharing with the provinces in a genuine spirit. In reading that article, Quebecers must surely have had renewed doubts about the real intentions of the federal government in this whole constitutional exercise. Those are not my words but the sentiments expressed in that article by Mr. Claude Ryan.

Therefore, faced with the prospect of centralization of power in Ottawa, the protection of reasonable financial compensation, I believe, is very important to this debate and to the future of this country. The question can be asked as we address it. Does Quebec or did Quebec have a veto? If I correctly understand the Premier of Quebec, that issue will now be taken by that government to the courts. However, speaking as only one member of this House, if Quebec did have a veto, I seriously question whether that was not seriously jeopardized by the signing of the accord of April 16 last. That is a personal opinion.

However, regardless of whether or not that province had a veto, I believed that full protection is another issue. When Quebec signed the accord of April 16, I know it did so on the understanding that full compensation would be given if, in fact, powers were transferred from the provinces to the central government or the federal government here in Ottawa. It was a provision of that April accord to which all the signatories gave assent at that time. They knew that financial compensation for any province not opting in to constitutional amendments taking away their jurisdiction was an intrinsic element of an amending formula which recognized the equality of the provinces for the first time.

We on this side of the House, or, at least, we in this party, have argued for the equality of the provinces. We cannot have a federation if different provinces are created with different standards by which they can apply their strength and power to the amending formula. Additionally, the Premier of Ontario recognized the equality of all provinces in the November conference when he volunteered to give up Ontario's veto. We all recall that action as an attempt by that premier to get an accord which would conclude the process.

Today, I believe that since we have the April accord and the November accord, no province can now object to financial compensation on substantive grounds because, in one way or another, they have all agreed with the concept of the equality of all provinces. If all provinces are equal, it follows that constitutional protection of their traditional jurisdiction must therefore also apply to all provinces.

Since November 5, and again when he came into the House immediately after the accord was signed, the Prime Minister has said he is willing to have ongoing talks with the province of Quebec in an attempt to find agreement on the constitutional accord. The Premiers of the provinces, in their closing public statements of November 5, gave the Prime Minister considerable latitude in pursuing discussions with that province. It is imperative that the Prime Minister use that freedom to act before the resolution becomes part of the Constitution.

Hon. members of the House may or may not remember that in order to change the amending formula, unanimous consent of the provinces and the federal government will be required. Unanimous consent is a standard much more strict than that which was imposed on us by the Supreme Court in its September decision. It is a standard which the Prime Minister himself has formerly called the "tyranny of unanimity".

Therefore, I want to emphasize to hon. members in the House that if some constitutional arrangement for reasonable financial compensation is ever to be worked out, it must be done now before the resolution is passed here, because in the future, when the unanimity rule will apply, I believe it will not take place. At that stage, consent of only one province would be needed to change the amending formula. Using the Prime Minister's own arguments, I believe we would then have a "no" from at least one of the provinces. If the government really wants to bring into the accord the only province which is still outside, or, at least, put forward the olive branch to the people of that province who are still outside, I suggest that it should do it now. In the future it may be too late because any province—Manitoba, Prince Edward Island, Ontario—could, in fact, block that attempt. I believe this is the time for Ottawa to prove its good faith to the people of Quebec.

I also want to explain this proposal to the critics of the proposal. One critic, who was quick off the mark, and who has criticized it consistently, has been the leader of the New Democratic Party. This amendment has somehow been interpreted as involving some kind of incentive for provinces whereby they would be able to opt out of constitutional amendments more easily if they were compensated.

● (1520)

It has also been said that financial compensation would be an incentive to allow rich provinces to prevent constitutional amendments by opting out. What seems clear to me is that rich provinces do not need any incentive because they are already rich. Financial compensation is no incentive to a province which is capable of being self-sufficient from its own revenue base. It can already afford to finance its own unique programs with or without financial compensation. It is only an incentive for provinces which are short of revenue and need equalization.

I believe the leader of the New Democratic Party knows that, if financial compensation were denied to poor provinces, we would be saying in effect "It's too bad you're poor but we won't do anything about that; you'll just have to give up that jurisdiction to Ottawa if you can't afford to retain it". I suggest to the leader of the New Democratic Party that he re-examine the statements he has made.

He has also raised, as have the Prime Minister and his supporters, the concept of a checkerboard Canada. May I remind them that financial compensation is envisaged only for constitutional amendments which would centralize power in federal hands by transferring jurisdiction from the provinces. For instance, they use the argument of medicare. Let us look at that argument. They say that if the transfer of medicare had taken place, it would have been prevented were financial compensation offered to provinces not opting in. In the first place, medicare is a program in a field of provincial jurisdiction, both now and when it was introduced. On the one hand, health care in Canada is a checkerboard because ten provincial governments retain jurisdiction for it to this day. As my colleague has said, they all run it differently and you cannot have a checkerboard greater than that. But on the other hand, the fact of a checkerboard, as they call it, did not prevent the development of, in the Prime Minister's language, a "national will" as far as health care is concerned. The reality of medicare today is that 11 governments in Canada accept it because they agree with it. There is no checkerboard, yet health care is the responsibility of ten different provincial governments.

Before leaving the example of medicare, I want to make another point. In one sense medicare, to use that argument, is a completely false issue in the context of financial compensation, because it came about historically through the use of the federal spending power, not through constitutional amendment. It is important that everyone understand that distinction. People should not have a fear that suddenly social policies or social programs will disappear from the scene because these were affected by spending power rather than constitutional change.

Medicare was not made possible through a constitutional amendment; it was brought about through the use of the federal spending power. And what was the principle, at least in part, of the use of the spending power? Not all provinces could afford medicare, so Ottawa used its financial resources to assist them. That is the same principle behind financial compensation, nothing else. Not all provinces can afford to exercise certain of their constitutional responsibilities at the same level as others—without assistance from the central government. That does not mean that the division of powers is wrong; it simply means that not all provinces have a self-sufficient fiscal capacity.

Financial compensation is a mechanism enabling them to retain a historical jurisdiction when that is in the best interests of the people of a province without incurring a financial penalty for doing so, without having to buy the right to go on exercising that jurisdiction, without subjecting those citizens to some kind of double taxation. We do not propose an incentive for rich provinces; I repeat, they are already rich, they do not need any incentive.

Before leaving medicare, I want to put a hypothetical situation to the Leader of the New Democratic Party. Medicare was not introduced through constitutional amendment. Suppose it had been. Suppose that rather than using the federal spending power in health care Ottawa had simply asked that health care be transferred to federal hands.

Let us take that hypothetical case. An NDP government was in power in Saskatchewan at the time. It was in Saskatchewan that medicare was born. I ask the Leader of the New Democratic Party whether it would have come, or come as soon, if Saskatchewan had not had jurisdiction over health. And I ask him further whether Saskatchewan could have exercised its jurisdiction if, through the absence of fiscal compensation, it had been forced to accept a constitutional transfer first. Would medicare have come about in that province when it did? The situation is hypothetical. There are no definitive answers. But I suggest to the Leader of the New Democratic Party that the argument has to be made.

If the Leader of the New Democratic Party wants to argue that social programs would be prevented if Ottawa does not have constitutional jurisdiction over them, I believe he is denying the history of medicare. It began under a provincial government and spread across the land, aided by the federal spending power. If through fiscal compensation, provinces wishing to do so can exercise their jurisdiction without financial penalty, the same situation can occur again. In the meantime, Ottawa retains its spending power and can use it to encourage provinces to provide programs in their jurisdiction which are national in character. I believe that is the flexibility of federalism, and I believe that is the reason Canada works as a nation.

I said earlier that the provinces and the regions are unique in many ways, but we should not in our amendments here attempt to bring about a oneness or a sameness, especially in these areas with which we are dealing today. I believe it is important to show that provinces and regions can be unique in many ways because our amendment has been interpreted largely as an overture to Quebec.

I say to members of the House that this overture is not only to the province of Quebec. It is not that we want some special status for that province or for any other province—and I do not wish to dwell on the question of special status for Quebec. That is not my point. While it is perfectly obvious that Quebec is unique in many ways, it is most unique in areas of culture and language, and the resolution provides for that situation. Nevertheless, it is universally accepted that the Constitution should make provision for the free expression of Quebec's unique character.

What should be equally obvious, then, is that other provinces are unique as well, albeit in different ways. The genius of Canadian federalism is that it allows all regions and provinces to express their individuality or to have their special requirements met without preventing the free expression of other provinces and without preventing the development of a national will. Financial compensation captures that genius of federalism and expresses it in a technical way.

My colleague says it is possibly the Canadian way. What we are trying to remove is the fear of a province saying no. By saying no it would have the problem then of a population which would say: "Transfer your power, because if you do not transfer your power, we will not have the same rights and the same social policies that Canadians in other provinces enjoy".

If the House agrees with this amendment to provide financial compensation to all provinces, I believe it makes sense to expand it beyond the area of educational and cultural matters. As I have said, medicare and other pioneering social programs might never have been implemented had jurisdiction been held in Ottawa. I am convinced that is the case because I have seen the suspicions, fears and difficulties that exist in federal-provincial relations on both sides of the table. Nor does it make any sense to limit financial compensation to Quebec. While we are motivated out of a sense of justice for that province and its people, we do not want to stop short of justice for every province and for all citizens of Canada.

I remind this House that when we in this party speak of justice for the provinces, we have in mind justice for the people of Canada, who are sometimes better served by Ottawa and at other times better served by their provinces and legislatures.

This issue has been dealt with at length in committee. In regard to the argument of a checkerboard, while it was made strenuously by members, including the hon. member for Lincoln (Mr. Mackasey), on sober second thought, as we reflect on it and as we look at the new amending formula today, it is important for us to recognize that what this amendment would do is in fact not create special status, it would not create the checkerboard effect that some people fear, but rather would provide the equality for all provinces which we seek.

Some hon. Members: Hear, hear!

● (1530)

Mr. Edward Broadbent (Oshawa): Mr. Speaker, all parties in the House and the nine provincial governments have agreed there is a great deal in the constitutional resolution which will benefit all Canadians. However, we all know it contains certain flaws, many of them rather important. So far in response to this reality we have improved some of those flaws by producing positive changes affecting the equality of women and equality for the aboriginal peoples of Canada. However, in these final days of this historic debate more needs to be done; more care needs to be given to what we are about to finish.

At the time of the accord all three federal leaders expressed concern about the absence of Quebec's signature. All were serious and all three said greater efforts were required. The government responded, I candidly say, by offering financial compensation for constitutional changes in the educational and cultural domains. Although this was offered all provinces, what I want to stress is that no one in this country is under any illusion that the real reason was to come to grips with Quebec's legitimate and historic concerns. More, as I have said, needs to be done in this direction.

Some Canadians have held the view that, no matter what is included in the constitutional resolution, the province of Quebec would not agree. The most legitimate reason for this assumption is that the Parti Québécois, constituting a government committed to sovereignty-association, would find it virtually impossible to patriate a constitution that remains federal in nature. I candidly say that my own disposition has been of this kind. I have said, and I repeat now, that I would be surprised, pleasantly so, to find any proposal which the present government of Quebec would accept.

Nonetheless, I have repeated two further points since the day of the accord with the provinces. We in this Parliament and we in the provinces of Canada outside Quebec must keep trying to persuade the government of Quebec, on the one hand, with reasonable offers; but in the final analysis the goal must be to have a proposal that gains the support, to use an old phrase, of the hearts and minds of contemporary Quebecers, and that is compatible with federalism—compatible with maintaining Canada—even if it is rejected by the present

government of the province of Quebec. Our goal in this Parliament in these last days of debate must be to convince Quebecers who believe in a federal Canada that what we desire is a genuinely renewed federalism.

Some hon. Members: Hear, hear!

Mr. Broadbent: Today on behalf of my colleagues I want to make such a proposal on the amending formula, and I hope it is one the government will consider very seriously before reaching a final decision. I also hope it is one which will obtain the support of the official opposition. It must meet, for me and my colleagues, three important tests: it must be compatible with federalism; it must be adequate in meeting the legitimate concerns of Quebec; yet it must be flexible enough to enable every province and the federal government to innovate in the future to provide a more just society. We must have a renewed federalism that can continually provide for a more equitable Canada.

Before turning to my specific proposal I would like now to discuss the amendment just proposed by the Progressive Conservative Party of Canada. In a speech on Friday, November 20—and this was referred to in the speech we have just heard—the Leader of the Official Opposition (Mr. Clark) said quite clearly that Parliament should attempt to bridge the gap that exists where we have, and I quote:

> —on one side... the Canadian government and the nine provinces where francophones are a minority; on the other side by accident or by design... the one province where francophones are the majority.

The Leader of the Opposition then suggested that the way to bridge the gap is to include in the constitutional amending formula the general opting out formula agreed to by the government of Quebec and seven other provinces last April, about which he correctly noted the following, and again I quote the Leader of the Official Opposition:

> Quebec did not give up its veto right for nothing. It was offered in exchange for a reasonable guarantee of fiscal compensation for provinces who chose to opt out, that is, who decide not to go along with the constitutional amendment. It is common knowledge that this guarantee of full fiscal compensation was the only reason why Quebec signed the accord. It was also common knowledge that if the guarantee were withdrawn, Quebec would reject the accord so that taking this compensation out of the accord was tantamount to forcing Quebec to withdraw.

I agree with all of those words uttered by the Leader of the Official Opposition. The Leader of the Official Opposition, I add, however, was perfectly correct in this assertion. He was quite right to point this important historic reality out to the rest of us. Some of us were well aware of it.

However, what the Leader of the Opposition should have added was that the overwhelming reason and justification for this proposal was not that the majority of the provinces wanted the opting out right, but because of the need to respond positively to the province of Quebec, they wanted to provide for fiscal compensation if, as a result of seven English-speaking provinces and the Government of Canada agreeing to transfer provincial jurisdiction to Ottawa, Quebec wanted to opt out. That, I say to hon. members of this House, is the reality which the Leader of the Opposition failed to mention in his speech in the House just a week ago.

It is clear to the New Democratic Party that if we accept opting out with fiscal compensation to all provinces we have a potential threat in limiting the ability of the Government of Canada in either maintaining current national programs of equality or initiating new ones such as, for example, a guaranteed annual income which falls within provincial jurisdiction.

● (1540)

As a general proposition, the Government of Canada cannot justify its involvement in a national program in which its responsibilities to the citizens would vary from province to province, even though it taxes every citizen in Canada. In addition, if all provinces could opt out with financial compensation, what incentives would there be for the rich provinces to respond positively to new national programs such as a guaranteed annual income program?

I agree with the hon. member who spoke a few moments ago that the spending power of the federal government ultimately forced medicare to come in in the province of Ontario. Because of the spending power of the government and the overlapping jurisdictional authority at that time, that situation enabled the government to do it. I say to the hon. member who has just spoken that I am not talking about programs in which the federal spending power alone is applicable; I am talking about programs in which there would have to be a transfer of jurisdictional authority from the provinces to the Government of Canada. That is crucial to the argument.

As a Canadian and one who comes from a wealthy province, I say that the rich provinces would inevitably opt out and the poorer majority in our country would suffer. Even more inevitable—this is crucial to the history of federalism in the years beyond the turn of the century—because of the likelihood of the rich provinces opting out, they would effectively kill further national innovation which could be profoundly important for a high level of equal existence and experience for Canadians from coast to coast.

In short, if we accept the Conservative amendment, in my judgment the result would be either a checkerboard Canada or the status quo, and I say that in all sincerity.

Rather than jeopardize the possibility of further innovation which could provide for a more equal Canada, I appeal to hon. members to consider an alternative which honestly and openly takes into account something which we have all known for years, and that is that the unique constitutional arrangements which have existed for Quebec since confederation should and can be extended without damaging our cherished federal union. Indeed, I suggest that the change I propose on behalf of my colleagues will deepen the possibility of unity precisely because it is grounded on the notion of the equal right of our two great cultures to flourish, innovate and invigorate one another in a constitutional structure in which the majority culture guarantees protection to the minority, whose rights to flourish are morally equal to those of the majority.

I want to remind the House that all federal parties and virtually all the provincial premiers said at the time of the referendum that at this hour in our history we must under-

stand that Quebec is unique. By this I mean—and I believe most others, in discussing the situation, meant—that Quebec's uniqueness differs in kind from that of the uniqueness of other regions of Canada. It is certainly the case that the prairies differ from British Columbia, that Ontario differs from Newfoundland and, indeed, that Newfoundland is quite different from the other Atlantic provinces.

Before discussing Quebec in particular, I would like to say that not only are the differences as I have described them in terms of our human experience, either as politicians or as Canadians travelling in English-speaking provinces, but I am pleased to note that they have been portrayed by such distinguished Canadian writers as Margaret Laurence, Miss Atwood, Mordecai Richler and others who are now on the world stage of English literature. They have portrayed the diversity of English Canada, that there is no such thing as a monolithic English Canada and that we are finally beginning to well understand—as many people in Quebec, I am pleased to say, are beginning to understand—that this is so.

[*Translation*]

As we all know, on this last point, Quebec's situation is unique and different from that of any other province. This fact is recognized not only by intellectuals and in the Pepin-Robarts report, but also by most Canadians from every region. It has also been recognized by former leaders of all parties. I am thinking about Robert Stanfield and Lester B. Pearson. The latter made a statement which has now become a cliché and which simply meant that Quebec was not a province like the others.

Quebec is the main centre of French culture in Canada, excluding the large number of francophones in New Brunswick, Ontario, Manitoba and elsewhere. This difference this rich culture inspire us, and they are assets which we all share and cherish. No one should therefore be surprised to find that, surrounded by anglophone provinces and over 200 million Americans, Quebecers are more aware of their collective existence, of their differences and of the need to protect their cultural existence than other Canadians. For these reasons, Quebecers want to be protected by our Constitution. If we fail to understand this reality, we fail to understand Quebec and to understand Canada. If we fail to meet this need, we shall be doing a disservice to Quebec and to Canada. I therefore move the following amendment to the amending formula.

[*English*]

I move, seconded by the hon. member for Hamilton Mountain (Mr. Deans):

That the proposed Constitution Act of 1981 be amended by:

Amending the motion of Mr. Epp of November 30 amending the motion of Mr. Chrétien that an address be presented to Her Majesty requesting that a measure be tabled before the Parliament of the United Kingdom by striking out, in the first line, "a province" and substituting "the province of Quebec".

Some hon. Members: Hear, hear!

• (1550)

[*Translation*]

Mr. Broadbent: This constitutional change will have positive results for Canada as a whole. Historically, Quebec has always had a veto to oppose any change proposed by the rest of Canada. Many Canadians have objected to this veto, and rightly so. Our amendment would take away this veto. Briefly put, it would allow seven provinces or more to transfer areas of provincial jurisdiction to Ottawa with or without the agreement of Quebec. Provinces with an English majority would be able to innovate in constitutional matters. However, our amendment would allow Quebec to keep its traditional powers without incurring any financial loss. This amendment does not give new powers to Quebec and it would not entail any additional expenditures for the other Canadians. It would simply allow Quebecers to retain what they already have and wish to retain. It represents a positive option for Quebecers. Such an amendment would provide security to Quebecers within Canada and lead to the type of renewed federalism which was promised at the time of the referendum. There would be fewer occasions for conflict and the Canadian duality would be recognized, all this within the context of federalism. There can be no losers. Everyone would gain. Therefore, Mr. Speaker, I ask the government, the official opposition and the government of Quebec to support this proposal.

Hon. Serge Joyal (Minister of State): Mr. Speaker, a number of speakers have pointed out the historical significance of this debate as the last "Canadian" step towards giving our country the status of a fully independent state, both in fact and in law. This step, in fact, marks the close of a long series of events which started in 1791 with the election of democratic legislatures. One of the patently false claims being circulated most widely today is that the long march towards independence has taken place and will end without Quebec. And some people are very upset because at this final stage we are witnessing a sometimes bitter struggle between two Quebecers, as if this were happening for the first time.

History gives us an entirely different view. In fact, from Louis-Hippolyte Lafontaine to Pierre Elliott Trudeau, illustrious Quebecers have always been in the forefront of Canada's long and lengthy struggle towards independence. It is also true, unfortunately, that from Louis-Joseph Papineau up to René Lévesque, there have always been Quebecers who opposed this process and who defended the status quo with fierce determination. I think it is appropriate to recall these events today, in order to put the present debate in its proper historical context.

It was Louis-Hyppolyte Lafontaine who, in the 1840's, took on the task of repairing the political damage caused by Louis-Joseph Papineau, leader of the 1837-38 rebellion, and who, through his alliance with Robert Baldwin, succeeded in rein-

stating the use of French in the legislature and in obtaining responsible government. Nevertheless, he was constantly and fiercely attacked by Papineau upon his return from exile and by his followers, then led by Nielson and Viger. Joseph Cauchon said the following about Papineau in 1848, and I quote:

> Some men are bent on destruction but have never built on the ruins they left behind.

In 1867, there would have been no confederation or Canadian federalism, and Canadian federalism would not have been as decentralized as it is without George Etienne Cartier. Once more, it was Papineau and his followers, this time led by Antoine-Aimé Dorion, who were opposed to the federation plan and violently attacked Cartier. However, it was George Etienne Cartier who initiated the codification of civil law in Quebec and established the province's exclusive jurisdiction in that field.

At the beginning of this century, Wilfrid Laurier decided to take a stand against London's imperialist designs and to affirm Canada's political autonomy in the shipping issue. The shipping bill tabled in 1910 involved, for the first time in our history, a definition of Canada's status as a country not fully independent of the empire nor totally integrated in the latter. To Laurier, it was an opportunity for Canada to act responsibly, while setting itself apart from the Empire. To the Ontario Tories, Laurier's gesture constituted a serious act of disloyalty to England. To the Quebec Conservatives and Henri Bourassa's nationalists, the gesture reeked of colonialism. Canada's autonomy became one of the major issues in the 1911 election. Laurier was defeated by a curious alliance of imperialist Tories and Quebec nationalists. In an article published in *Le Devoir* on December 29, 1911, Omer Héroux confirmed once again that extremes tend to meet, and I quote:

> Laurier's shipping bill was defeated because it satisfied no one, neither the nationalists nor the imperialists. Both parties were agreed that the hybrid policy should not be allowed to proceed. It was logical and unavoidable.

After Laurier's defeat, it was also logical and unavoidable that the views of the imperialists rather than those of the nationalists should triumph.

As for Laurier, at the beginning of 1912 he declared, somewhat frustrated, and I quote:

> As a penance, I have to read *Le Devoir* every day.

And he added:

> As I was saying just now, we have been attacked by all the extremists; those who were most acrimonious, most violent and most unfair in their attacks were those who call themselves nationalists in this country. Our policies exasperated them; our moderation put them in a frenzy and the word conciliation had them foaming at the mouth. To hear them talk, no good could come out of Ottawa; the Liberals, from whom they were separated, were worthless; the Conservatives were even worse.

Ernest Lapointe, Mackenzie King's right-hand man, was a dominant figure in Canada between the two wars. Over the protests of London, in 1923 he was the first Canadian representative to sign, alone, an international treaty with the United States. At a federal-provincial conference in November, 1927, Lapointe, as Minister of Justice for Canada, proposed that our country should have the right to settle its own affairs, both internationally and nationally, and should have the authority to amend its own Constitution. Under the Statute of Westminster passed in 1931—Lapointe was one of the provincial negotiators—Canada's external and internal independence was recognized. Unfortunately, at the time, who was supported by the Quebec nationalists, London retained the authority to amend Canada's Constitution.

In 1949, Louis St. Laurent, the then Prime Minister of Canada, succeeded in passing bills by which the Supreme Court of Canada became the court of last resort for all Canadian cases, with three out of nine seats being reserved for representatives of Quebec, and in giving the Parliament of Canada the power to amend its own Constitution without going to London. This time it was Maurice Duplessis, again supported by Quebec nationalists, who protested these expressions of emancipation. And in 1952, Louis St. Laurent decided it was time a Canadian was appointed governor general.

In 1964, thanks to a commitment made by Lester B. Pearson at the insistence of his Quebec colleagues, especially Maurice Lamontagne, the bill to adopt a Canadian flag was passed by Parliament. Since 1925, attempts had been made to give Canada a distinctive emblem. Because of the political situation at the time, the Progressive Conservatives were opposed to this bill. However, today no one, except perhaps the Quebec separatists, would question the pride felt by the vast majority of Canadians with respect to our flag. As for Canada's national anthem, adopted by Parliament in June 1980, the music was written a hundred years before by the Quebec composer Calixa Lavallée, to words by Justice Alphonse-Basile Routhier. The English version dates back to 1908. Another Quebecer, Pierre Elliott Trudeau, proposed its adoption.

In giving this short overview of the steps that have led to the complete emancipation of our country, I wanted to make it clear that Quebecers have always played a major role. As leaders of the Liberal Party, as ministers of the Crown and as members of the House and the Senate, Quebec Liberals have always felt that they had to continue the work undertaken by Lafontaine and bring it to fruition. At times this was done at the cost of a lost election and sometimes of attacks and insults of all kinds but always, and today is no exception, they shared the belief that the fight had to go on. At each stage those Quebecers felt certain of reflecting and expressing the concerns of their fellow French-Canadians in that process of shaping the country.

● (1600)

Unfortunately, they always met along the way other Quebecers who were afraid of change and in favour of the *status*

quo for the sake of some outmoded survival of times past or because of inferiority complex. In that context, the current bitter fight is better understood. What is involved historically is a conflict between two groups of Quebecers with basically different views of what is in store for their fellow citizens rather than a personality conflict. I for one am proud that Quebecers at every high point in their history chose the road indicated by Lafontaine rather than Papineau, which would have led directly to annexation by the United States.

Today, we are on the eve of the most significant step in our constitutional history since Confederation, not only because we will soon attain full constitutional independance, but above all because we are going to ensure that provinces in the future will have the absolute right to play an essential role in this country's constitutional development, that Canadians will enjoy basic rights that are protected against the whims of governments, and finally that Canada will become a country committed forever to equal status and rights for the French and English languages.

Many of our predecessors attempted to reach that goal. Lapointe, St. Laurent, Favreau and even this Prime Minister (Mr. Trudeau), in Victoria and more recently in Ottawa in 1980, met with failure and had to postpone that last and fundamental step.

As always they met along the way the supporters of the *status quo*, knowing or unknowing successors of Papineau.

Our history was made despite their nationalism based on resistance and mere survival. Under that philosophy, language was once the keeper of the faith and now the keeper of the people. This new kind of clericalism is nothing but a trap. It might lead us to miss the Canada of the year 2,000, just as the old one kept us for more than 100 years in a marginal rural society apart from the development of the industrial society.

The Quebec challenge is not to ensure that the French language and culture will prevail in Quebec. That goal has already been reached. According to official figures, 86.2 per cent of young Quebecers are now in the French education system; the number of students in English schools declined from 250,000 before 1975 to the current 168,000, a 33 per cent drop over six years. Even with the "Canada clause", the invasion of Quebec by English-speaking Canadians from other provinces is not to be feared anymore. Indeed, the opposite will happen. Quebec's new cultural challenge focuses on the improvement of the quality of our language and culture. This is a challenge for each and every one of us to meet. Our proximity to the United States makes it difficult to reach that aim, but then it would be wrong to suggest that separation from the rest of Canada would make it easier.

Another major imperative for Quebecers is prosperity and a balanced economic growth. Several scenarios, especially that drawn up by Julien, Lamonde and Latouche in their book entitled *Québec 2001, une société refroidie*, predict a growing crisis of the economic structure in Quebec. It would be deceitful to suggest that Quebec would more easily overcome that economic crisis by seceding rather than remaining within Canada, with the huge transfer payments which that relationship implies and which from now on, following the passage of this resolution, will be made to Quebec as a matter of right formally guaranteed in the new constitution.

I am afraid that if we devote our best efforts to control that structural economic crisis, we will not succeed in overcoming it completely. During the two next decades, jobs will be principally created in Western Canada.

An increasing number of francophone Quebecers will probably decide to take part in a second large rush to the West. Moreover, the migratory movement has already begun. From 1976 to 1980, the annual net average of immigration from Quebec to other provinces was 33,300 people. From 1980 to 1985, the average is expected to be 32,000 according to the task force on the development of the labour force. By extrapolating this figure to the year 2000, it can be estimated that about 640,000 Quebecers, in net terms, will emigrate in the next two decades.

In that context, care must be taken to avoid the errors of the first great rush in the second half of the 1800s when 900,000 of our own people left Quebec permanently. Another challenge must be met: that of improving considerably the linguistic and cultural environment of francophone minorities outside Quebec in order to ensure the full development of those communities. Unfortunately, that challenge has never been the priority of the Quebec government. On the other hand, since 1963 and particularly during the '70s, the Canadian government met that challenge, thanks primarily to the courage and perseverance of the present Prime Minister of Canada. The official languages act, specific federal subsidies to the provinces and francophone groups, the extension of French radio and television networks from coast to coast in Canada are among the steps taken by the Canadian government to improve the lot of francophone minorities.

The resolution now before us is another very important step in the same direction. Of course it does not go far enough but still the fact is that it enshrines in the constitution the full linguistic rights of the Acadians of New Brunswick and the right of other French-speaking people outside Quebec to be educated in their own tongue at the primary and secondary levels throughout Canada. There will undoubtedly be a lot of work left but I am convinced that with patience and courage we will succeed. In that context, I do not understand those who are against this resolution because it does not go far enough, yet at the same time reject the significant progress it guarantees. Probably without realizing this, they too are in favour of the status quo.

Finally, there is another right which will be formally guaranteed by the constitution, namely the right of the provinces henceforth to participate fully in the constitutional evolution of

the country. The Supreme Court of Canada ruled recently that even though there is a convention which requires a consensus of the provinces with respect to any constitutional change which affects them, the federal Parliament is strictly entitled to make such changes unilaterally. In my opinion, that is an anomaly which is inconsistent with a genuine federalism because a mere convention which offers no legal recourse is not a sufficient guarantee for the protection of provincial rights and powers.

It is precisely that unacceptable anomaly which will be corrected by the resolution and the amending formula. This formula is not the best, of course, but at least it does guarantee Quebec's cultural sovereignty. Personally, like others on this side of the House, I would have preferred the Victoria formula under which Quebec had the right of veto. It is unfortunate that Mr. René Lévesque did not advocate that formula when it was time, unlike the Canadian government and those of Ontario and New Brunswick. In short, it is extremely sad indeed that the government of Quebec has not made any real effort to improve this resolution so as to be able to give its consent without making overstatements of delivering unacceptable ultimatums. And yet, upon reflection we should have realized at the outset that such agreement was impossible. The PQ government could not drop the first clause of its platform which is sovereignty. As was stated in their white paper, they do not believe in renewed federalism. I quote:

In the opinion of the government of Quebec, the pitiful history of numerous as well as useless attempts at revising the constitution proves just how delusive it will be henceforth to think about renewing federalism in a way which might be satisfactory at the same time for both Quebec and the rest of Canada.

Not only do the PQ supporters not believe in renewed federalism, but they certainly do not want to have anything to do with it. In that respect I recall a statement made to the Canadian Press last November 25 by Mr. Sylvain Simard who was recently elected Vice President of the Parti Québécois thanks to the support of Mr. Lévesque. I read that statement in *The Citizen* of November 26 but, unfortunately, I did not find it in *Le Devoir*. Therefore I will quote it in English:

● (1610)

[*English*]

What I myself feared was that Levesque's mission (to Ottawa) would result in a certain success, an agreement.

The (1980) referendum forced him to play the game (of federalism), but for us it was an extremely dangerous game because an agreement would have paralysed us for years.

That is the vice-chairman of the Parti Québécois. If one wants to discuss an agreement with the present representative of the Quebec government, then it is better to have that in mind.

[*Translation*]

That is the naked truth. The PQ government never really wanted to enter into an agreement. Mr. Lévesque would not accept to scuttle his party to meet the Canadian challenge. And in his effort to convince Quebecers to favour independence, he uses every means at his disposal, even deceitful propaganda against the Government of Canada which he claims is responsible for all kinds of evil, treason and encroachment. In this respect, the recently published PQ pamphlet entitled *"C'est souverainement le temps"* provides a good illustration of this dishonesty which few of the so-called impartial observers in Quebec have the guts to point out.

The PQ pamphlet states, and I quote:

The very same year, 1927, Ottawa grabled an area of Quebec jurisdiction, that of old age pensions.

To say that Ottawa grabled that area is wrong. The fact is that the Quebec government established its own retirement scheme in 1965. Moreover, when the Government of Canada proposed its old age security program in 1950, it did so through a constitutional amendment agreed upon by all the provinces. Mr. Duplessis, the then Quebec Premier, made the following statement in English during the federal-provincial conference which had been called for that purpose:

[*English*]

We are willing, indeed pleased, to co-operate with Ottawa. If any modification of the constitution is appropriate in the circumstances, well, we would be willing to consider in a most friendly way the possibilities of modifying the constitution in the matter of old age pensions.

[*Translation*]

As one can see, the federal government did not act by force, as the Parti Québécois now maintains. Elsewhere in its publication to PQ states, and I quote:

In 1941, Ottawa invaded a social field which belonged exclusively to the provinces: unemployment insurance.

What that document fails to point out, however, is that at that time also, the Constitution was amended with the agreement of all provinces including Quebec. So how can they speak of encroachment when the Constitution was amended, with unanimous consent, in order that all Canadians could benefit from this great social measure? Might I also recall that the sollicitors for Quebec themselves, when arguing their case before the Supreme Court last April, stated that Quebec had always freely agreed in the past to constitutional amendments.

But these contradictions do not bother the Parti Québécois. The PQ pamphlet contains the most far-fetched and deceitful statements to try and make people distrust the federal government, while it has given our country, always in the interests of Quebecers, one of the most generous social security systems in the world, within the purview of the Constitution. Yet, the PQ party maintains that Ottawa is taking over, encroaching, grabbing, envading. It is with this type of propaganda that the Parti Québécois government is launching its campaign for an independent Quebec which could, apparently, come close to civil disobedience. It is getting ready to repeat the unfortunate experience of Papineau, in which most Quebecers were never involved but which nevertheless lead temporarily to a deadend.

I have listened attentively to the amendment moved by the hon. member for Provencher (Mr. Epp) and the sub-amendment introduced by the hon. member for Oshawa and leader of

the New Democratic Party (Mr. Broadbent). Both proposals are sincere attempts at arriving at some sort of arrangement or compromise acceptable to the province of Quebec. The Canadian government is not in principle opposed to fiscal compensation. Hon. members will indeed recall that the constitutional resolution tabled last November 18 by the Minister of Justice (Mr. Chrétien) provided for fiscal compensation in the fields related to education and cultural affairs. But the Right Hon. Prime Minister explained last Friday in the House the position taken by the premiers who signed the accord on November 5. We therefore cannot ignore their views in this regard. I would also point out that there is a flaw in each of the proposals introduced by the hon. member for Provencher and the hon. member for Oshawa.

The first proposal, by the hon. member for Provencher, is for full fiscal compensation. However, the hon. member for Oshawa would like to see this restricted to Quebec. In fact, both ignore the basic objection that it is desirable to ensure and guarantee that constitutional amendments aimed at establishing Canada-wide programs consider the specific option open to some of the richer provinces, namely to opt out of these programs.

The hon. member for Oshawa answers that he would rather keep full compensation, with all the drawbacks it entails, restricted to Quebec. However, and I am expressing the position of the government of Canada, at the next stage in our constitutional reform, the government will always be willing to consider proposals for meeting this objective, which would also enable us to meet the objective pursued by the hon. members for Provencher and Oshawa. However, I should like to point out to both hon. members that at this stage, where we have a commitment from nine provincial first ministers to discuss further amendments in the near future as soon as the Constitution has been patriated and the amending formula established, we can draw satisfaction from the fact that the objective or concept of fiscal compensation has been accepted in the present constitutional resolution, and that the Canadian government undertakes, if such is the desire of the other provinces, to discuss the matter at the next federal-provincial conference and to seek a formula that takes into account the objectives pursued by the hon. member for Oshawa as well as of the objections we have already expressed in this regard, namely that the automatic withdrawal of any province would jeopardize the establishment of programs that should normally be accessible to all Canadians.

Today, Mr. Speaker, I can say once more that I am convinced the vast majority of Quebecers will not be blinded by the false promises of the Péquistes who, in fact, have no respect for the people of Quebec. They do not know the people. It is true Quebecers will not let their leaders forget their distinctiveness, but neither will they tolerate the neglect of other equally important aspects of their individual and collective existence which they share with their North-American neighbours. Quebecers want to preserve their special status, but they do not want to be isolated in the process. And especially, they do not want to be governed solely on the basis of their differences. That is exactly what the Péquistes refuse to understand and what we, Liberal members for Quebec, always try to realize. In this respect, at least, we can claim to be closer to the people than the Parti Québécois, even if the PQ accuses us of betraying Quebec.

It is of course unfortunate that during the last negotiations there were no true representatives from Quebec on the provincial level. But this in no way means that the last step on the road to this country's emancipation will be taken without Quebec. We, Liberal members from Quebec, following the Right Hon. Prime Minister of Canada and the hon. Minister of Justice, have been full-fledged participants. We are convinced that in supporting this resolution, we are following in the footsteps of our predecessors. We also believe we are expressing the wishes of a great many Quebecers and respecting both their personality and the strong ties that bind them to a greater country. I for one am grateful to the Prime Minister and the Minister of Justice for having associated me to this historic task, and I am proud as a Quebecer to have been one of its participants.

Mr. Broadbent: Mr. Speaker, will the hon. minister accept a question?

The Acting Speaker (Mr. Ethier): Agreed. The hon. member for Oshawa.

Mr. Broadbent: Mr. Speaker, I listened closely as the hon. minister placed in their historical context the two traditional attitudes that have prevailed in Quebec. But finally, in that exercise he chose to launch into an attack against the Parti Québécois. In this debate this afternoon, neither the Progressive Conservative member nor myself have dealt with that situation. Generally, I feel we are in agreement with you on this.

My question is therefore the following, concerning federalism. Does the minister think that Mr. Ryan, as a Quebecer, as a federalist, is on his side on this issue, or on ours?

Mr. Joyal: Mr. Speaker, I am quite pleased that the hon. member for Oshawa refers to the position taken by Mr. Ryan on this.

I would remind him that in a telex he sent to the Right Hon. Prime Minister on Monday November 9, Mr. Ryan suggested three ways of settling the dispute which developed at the time the constitutional conference of November 5 was adjourned.

His first proposal was that financial compensation be granted with respect to education cultural affairs. He also suggested that, where other fields of provincial jurisdiction were concerned, we begin discussions immediately or make such discussions the very first item on the agenda of the following

constitutional conference. I am referring to the telex of November 9. He suggested two other solutions for the other two points, namely the Canada Clause with regard to Section 23 and a reassessment of the mobility clause.

When the Right Hon. Prime Minister spoke before the Quebec section of the Liberal Party of Canada in Quebec City two weeks ago, following the representations contained in a letter to him from my hon. colleagues of the Quebec caucus, he proposed acceptance of Mr. Ryan's first suggestion which is now included in the constitutional resolution tabled by the Hon. Minister of Justice on November 18. Afterwards, the Hon. Minister of Justice had to consult with the premiers who had already signed the accord to obtain their consent. In the meantime, Mr. Ryan had further discussions with his officials and advisors, and he asked that the financial compensation provision be reviewed with a view to extend it to communications, and also to social affairs among other things.

Meanwhile, during the discussions that followed on reinstating in Sections 28 and 24 the provisions related to native rights, the premiers indicated to the Minister of Justice that this was the accord which they were willing to accept in order to meet at this point the representations submitted by the province of Quebec, the official opposition in Quebec and this side of the House. The Prime Minister has therefore partially met the request for full financial compensation. What I have stated today is that the government does not object to extending this compensation in principle, but that for the moment, it is bound by the telex and the agreement expressed by Mr. Bill Bennett who, as chairman of the first minister's conference, who clearly told the government: We hope that the House and the Canadian Parliament will complete the debate on the Accord as quickly as possible, and that patriation can be effected without delay, and that we can meet again to resume our discussions on this matter.

This of course is in response to the objections or the wish for compensation expressed by Mr. Ryan later on and takes into consideration the objections raised by the hon. member for Oshawa himself ten days ago in this House when he said: "As concerns social programs, an opting-out clause with full financial compensation could cause considerable difficulties in implementing new programs designed for all Canadians". It would therefore probably be possible to have discussions and to develop a formula which would meet both Mr. Ryan's suggestions and that the hon. member for Oshawa and ourselves have been saying during this debate. I therefore believe that the wise thing to do today, tomorrow and Wednesday afternoon would be, of course, first of all, to go on with this debate because opinions are not cast in cement in this regard, as the hon. member for Oshawa has admitted. As far as we are concerned, on the government side, we are willing to discuss this matter during a forthcoming constitutional conference where we would try to define it better, but we do not want to prevent this resolution from being agreed to as soon as possible so that we may continue meeting Mr. Ryan's objectives which are those of the Quebec Liberal Party, the objectives of the hon. member for Oshawa and the most sincere objectives of the hon. member for Provencher.

I therefore believe that it is in such a climate that the debate must continue during the next few hours and not in a context of outbidding where everyone would try to add a bit more to the resolution to make it more attractive to the Parti Québécois government since the hon. member and myself both know that, in this regard unfortunately, we have to consider the statements made by the duly elected representatives of the Parti Québécois at their conventions and at public political gatherings.

So I feel it is our duty to look after francophones in Canada. I am delighted to see that the hon. member for Oshawa is doing his utmost in this respect, and that is exactly the trap the PQ would like us to fall into, namely, to refuse from now on to meet the particular needs of Quebecers. And as I illustrated this afternoon, our predecessors have always done everything possible to meet the specific needs of Quebecers. I will not repeat either what Cartier, St. Laurent and Pearson proposed, or what we ourselves are proposing now in this regard.

When the next stage comes, the hon. member for Oshawa, whose party has made many constructive suggestions throughout this Constitutional debate, will be able to continue taking part in these discussions. And I emphasize that one of the fundamental aspects which has been changed, compared with previous Constitutional conferences, is that the Government of Canada will no longer take part in them, as it used to, without the support of a resolution passed by the House, without having involved the Parliamentary committees of both the Senate and House of Commons; and from now on, when we take part in Constitutional conferences, under new precedents which proved very useful over the past few months, we will be able to accept the participation of hon. members from all the parties in the House. And I think that in this way, we will be able to respond positively to a request which the hon. member has made and which Mr. Claude Ryan, the Leader of the Quebec Liberal Party, has supported.

● (1620)

[*English*]

Mr. Epp: Mr. Speaker, in order that the debate may go forward in an orderly manner, I wonder if the minister would accept a question.

Mr. Joyal: Agreed.

Mr. Epp: I want to thank the minister and members of the House for their courtesy. I was pleased to hear the minister indicate that the principle of full compensation had the support of the government. In view of the statement he has now made that there is to be a final vote at three o'clock on Wednesday and that the matter of the time of the House is now resolved—in other words, the debate will end at that

time—and in view of the telex received from Premier Bennett and the good will that prevailed on November 5 between the Prime Minister and the provinces, which I interpreted as giving the Prime Minister the ability, the freedom, to continue discussions with Quebec and that that would not jeopardize the accord, and in view of his endorsation of full compensation, does the minister now feel that discussing it and trying to come to some agreement would jeopardize the accord?

Mr. Joyal: Mr. Speaker, I thank the hon. member for Provencher for his question, which will give me an opportunity to clarify one aspect of the answer I gave to the hon. member for Oshawa.

The point I want to make is that the government is not opposed to the principle of full compensation because the government has already accepted the implementation of that principle in relation to education and cultural matters. I think the hon. member will clearly understand that.

What I said clearly to the hon. member for Oshawa was that at this stage all members and parties in this House have unanimously agreed to conclude this debate not later than Wednesday at three o'clock.

• (1630)

The chairman of the premiers' conference very clearly stated in a telex to the Prime Minister last Friday that at this stage the premiers of the provinces are not in a position to reopen the discussions in relation to that very aspect. The position that I expressed today in the House is that we agree there might be progress, change and suggestions to be considered which could probably be entrenched in the Constitution at a later stage. However, at this point it would be much preferable to conclude the debate by continuing to discuss the implications of full compensation in the manner which has already been raised by the hon. member for Oshawa and the hon. member for Provencher. We know that within a year, according to Section 36, we are committed to a constitutional conference concerning at least one item, the aboriginal rights issue. We will be in a position at that time to discuss that aspect again. If there is a need and a consensus reached to entrench that matter in the Constitution, we will then have the kind of amending formula and constitutional process to achieve that result. I am quite sure that if we keep the good will existing between the Prime Minister of Canada and the premiers of the provinces which was just mentioned by the hon. member, we will be in a position to make progress.

If we cannot comply with the suggestion made by Premier Bennett at this stage, and we try to improve it without being in a position to obtain unanimous agreement in the last hours of debate, a kind of pressure might be created which would be counterproductive. Good will should be kept. I think the hon. member understands that the best way of continuing to make progress, as demonstrated in the past weeks and days, is essentially to debate the issue as hon. members have done. However, we should make sure that that objective will still be in the minds of the premiers and the Prime Minister of Canada at the next constitutional conference so that they will be in a position to reopen discussion on that very subject. I think it is pretty satisfactory in terms of the consensus in arriving at that point.

The Acting Speaker (Mr. Ethier): Order, please. Other hon. members are seeking the floor, perhaps for the purpose of asking a question. However, I must remind the House that the time allotted to the hon. member has expired. Of course, anything can be done with unanimous consent. Is there unanimous consent?

Some hon. Members: No.

The Acting Speaker (Mr. Ethier): There is not unanimous consent.

Mr. Kilgour: Mr. Speaker, I was not rising to say "no". If someone wishes to ask a question, I would be happy to have the hon. member do that.

The Acting Speaker (Mr. Ethier): In that case, does the hon. member for Yorkton-Melville (Mr. Nystrom) seek the floor for the purpose of asking a question? Order, please. Permission has been granted. The hon. member for Yorkton-Melville is seeking the floor to ask a question of the hon. Minister of State. Is that agreed?

Some hon. Members: Agreed.

Mr. Nystrom: Mr. Speaker, I want to commend the Minister of State (Mr. Joyal) for saying that, in principle, he supports some kind of arrangement concerning compensation. I think that he has made a very important statement. Because of the importance of the issue, I wonder whether he might consider using what the government has done in Section 23 and in Section 59 as a precedent. In other words, we are putting Section 23, concerning the language of education, in the Constitution, and we are giving Quebec the right to opt in once it passes through the National Assembly.

I wonder, because of the importance of the issue, whether the minister would consider doing the same thing concerning fair and reasonable compensation; that is, that the federal Parliament include a passage in the resolution on compensation under Section 38(1)(a) of the amending formula that has the support of the House of Commons and the Senate. In other words, it would be our half of the amending formula. Therefore, when one would go to stage two of the constitutional conference, the House of Commons and the Senate would already have said yes to some arrangement on compensation which would then not force anything on the other provinces and would not open the accord. This would clearly say to the other provinces that we in this House have agreed with some principle of compensation, that we have already passed it, it is there and concrete, and it has gone through the British Parliament at Westminster. I wonder whether the minister would consider that we are at least half way on this very important issue, since he agrees to it in principle.

Mr. Joyal: I would like to thank the hon. member for his question. I think one aspect of his suggestion could be adopted. However, as I have already replied to the hon. member for Provencher and the hon. Leader of the New Democratic Party, I think that those aspects can be debated. At least, it would meet with the agreement of the premiers of the provinces who signed the accord on November 5.

I think the hon. member will recognize that if we consider changing anything at this stage, it will create a pressure. In the context of the good faith which we must keep and the statement made by Premier Bennett, at this stage we should continue to discuss the amendments and subamendments, attempting to find out all the implications of their adoption, but we should keep things as they are now. In this House there have been unanimous amendments to the resolution as it affects the issues of aboriginal rights and women's rights. I think that we are satisfied with the resolution at this stage concerning compensation, education and cultural matters. I think that all Canadians, especially Quebecers, understand that there is the possibility of further discussions. However, I think that changing anything concerning the objectives we have already reached would really jeopardize further progress at the next constitutional conference.

Mr. Broadbent: A point of order, Mr. Speaker. I think there is agreement, through informal consultation, for me to ask one more question if the minister will agree to answer it. I just wanted to have it clearly understood—

Mr. Chrétien: It is not a question.

The Acting Speaker (Mr. Ethier): Again, that will have to be done with unanimous consent because the minister has used up all the time allotted to him.

Some hon. Members: Agreed.

Mr. Broadbent: Mr. Speaker, I have a question for the minister, to make the matter perfectly clear. He is saying that the government is prepared to look to at least two options and conceivably others. One is the general opting out formula which has been proposed by the Conservative Party, and the other is the proposal we have made today concerning the possibility of an opting out formula which would recognize the unique place of the province of Quebec in confederation. Is that the clear understanding that the minister attempted to convey?

Mr. Joyal: Mr. Speaker, I think that any kind of suggestion which could be made in the House in relation to general compensation is something which would be helpful at one stage or the other in order to attempt to arrive at some kind of a conclusion to those proposals. I am quite sure that the proposal, the subamendment put forward by the hon. member for Oshawa, is a valid one. However, it is necessary to study and debate its ramifications, as well as the one put forward by the hon. member for Provencher. What I want very clearly to state is that the government is not opposed to the principle of compensation because compensations are already entrenched in the present resolution.

However, the principle of full compensation is another matter. It concerns matters which encompass all of the jurisdiction involving Sections 91 and 92 of the British North America Act. It then raises many questions, as hon. members know very well. Therefore, on that ground I would think that further debate could take place.

Mr. Nielsen: You let him off the hook, Ed.

Mr. Broadbent: I wanted to put him on it.

Mr. David Kilgour (Edmonton-Strathcona): Mr. Speaker, I am delighted to rise to speak in favour of our party's amendment. The case has already been made by the hon. member for Provencher (Mr. Epp), and I do not intend to repeat it. I would ask the minister if he would not be prepared to concede that the matter is so important to the people of Quebec that it is reopening the matter with the premiers. If a telex can be sent on Friday, surely we could send another telex to the respective premiers today asking them whether they would consider reopening this matter, which we all agree is important, in order that the people of the minister's province might feel more sympathetic toward this proposal. I remind the minister, as he is aware, that a recent poll showed that something like 27 per cent of francophone Quebecers feel that the accord is a "bonne chose", which I think is a distressingly low figure.

The hon. member for Oshawa (Mr. Broadbent) has moved that compensation should be allowed only to the province of Quebec. I would ask why, if it is sound for one province, it is not sound for the others. Is it that the Leader of the New Democratic Party strongly attacked our proposal last week without thinking? Is it because those in his caucus who are more sensitive to Quebec have persuaded him that the matter is so important in *la vieille province* that he should make further concessions on the matter? I would hope that the hon. member for Oshawa and his party would vote for the amendment as well.

• (1640)

During the next few moments I would like to tell hon. members why I will vote for the resolution. There are many reasons, and I will discuss some of them. I will also discuss why this resolution causes me, as someone who thinks national unity is the most important factor in updating our Constitution and federal institutions, immense concern.

First I will discuss why seemingly my constituents want me to vote for this resolution. The caucus and the leader of this party have taken a very active role in getting the resolution to where it is now. We attempted to mobilize public opinion against the original package of the Prime Minister (Mr. Trudeau) because of its substance and its unilateralism. We struggled for a full and a fair debate of the proposal in this House. We fought for a full, open public hearing before television so that many Canadians could be heard and many more Canadians could see the process. We were adamant that

the Supreme Court of Canada decide if the question was legal and constitutional before it was sent off to London. We dragged the government—I do not think it is incorrect to say wheezing and groaning—into doing so. After the decision, in which a majority of the Supreme Court judges said that the matter was legal but unconstitutional, we fought hard to have a meeting of first ministers for further negotiations.

Since the ten-party Accord of November 5, we have, with others in this House, fought to get aboriginal title and equal status for both the sexes put back into our Charter of Rights and Freedoms. Our successes, in whole or in part, have in effect made us a full party to this document. In a sense, whether it is for better or for worse, we are married to it.

In my view, it has in a very real sense been my party's finest hour. How can we now vote against it because of various imperfections? There is much in the resolution which any Member of Parliament of good will would want to support. Patriation of our Constitution is probably not 54 years but 114 years overdue. If only our Fathers of Confederation had produced an acceptable to all amending formula in 1867, we would not have the deadlock over the amending formula which has not allowed us to patriate the Constitution for all these decades.

Umbilical cords for nations as well as for babies are best cut at birth. But then, hindsight is always 20/20, and we have much to thank these early statesmen for, most of all for the creation of the most fortunate nation on earth.

The concept of an entrenched Charter of Rights and Freedoms enjoys wide support in all parts of Canada, certainly among the majority of my constituents, according to a poll that I conducted. However, as a lawyer and as someone who hangs John Diefenbaker's Bill of Rights in his office, I have, like many others, been saddened by the way that our courts have judicially extracted most of the vitality of that Bill of Rights on the premise that it is just another federal statute applicable only in the federal spirit. To my knowledge, it has been applied to override part of another measure only in the Drybones case in 20 years. Paradoxically, the courts will no longer be able to ignore an entrenched Charter of Rights and Freedoms because the Charter of Rights and Freedoms in the most basic sense stands above the courts, albeit subject to their interpretation.

Which member of Parliament wants to vote against entrenching such things as freedom of religion and peaceful assembly? Which one of us is opposed to mobility rights for our fellow citizens? Our respective constituents surely favour legal rights, including the right to life and liberty, protection from unreasonable search and seizure, arbitrary detention, the right to reasonable bail and a host of other matters. The same, of course, applies to equality rights, the barring of discrimination based on race, colour and religion, etc.

[*Translation*]

As a member of the Joint Committee on Official Languages, I fully agree, of course, with the clauses of the bill which will grant equal rights to both official languages as far as their use in parliamentary institutions and the Government of Canada is concerned. In that respect, I congratulate the people and government of New Brunswick for having voluntarily accepted both official languages in the institutions of New Brunswick. I also congratulate the premiers of the nine provinces for their good faith in providing rights for education in the minority language.

[*English*]

I salute the nine premiers and the Prime Minister for accepting our amendment on the equality of the two sexes for constitutional purposes and for entrenching existing aboriginal rights.

Obviously some members of both groups are unhappy about the extent of these amendments but some progress has been made in this House unanimously.

On the good side of the resolution as well, the new amending formula of the November 5 accord removes one of the abhorrent features of the earlier Liberal-NDP formula which would have weighted the votes of Canadians for constitutional referenda on the basis of provinces of residence. First-class Canadians would be residents of the two central provinces. All other Canadians would have been second class.

Mr. Nielsen: Some third class.

Mr. Kilgour: I am told that there are some third-class citizens in the territories.

The new formula is light years better than the earlier one. This party tried to amend the formula to give the Northwest Territories a fighting chance for provincehood in the future. We regret that the Liberals lacked the courage to support us in that proposal.

Time is passing by very quickly so I will briefly sketch some of my profound concerns with this resolution. First, the mobility rights of the resolution, as I read it, bar affirmative action programs for socially or economically disadvantaged people if they live in high employment provinces. If that is so, how can any member in this House from a high employment province look any handicapped, disabled or other socially disadvantaged constituent in the eye if we vote for that, especially in the International Year of the Disabled?

Second, another part of the proposal would bar any evidence in criminal trials if it would "bring the administration of justice into disrepute". Along with the Canadian Police Association and the Canadian Association of Crown Counsel, I worry that this, well intended as it is, will in due time lead to the adoption in Canada of the U.S. tainted evidence rule. This has contributed in no small way to what the U.S. Chief Justice Burger has recently called the "reign of terror" in American cities. Obviously I am not saying that our crime rate will jump about six times to that of the United States the minute we pass this resolution, but what I am concerned about is that if our experience here begins to imitate theirs as a result of this measure—and I accept the fact that it was my party which introduced that amendment and I regret it did—the guilt or innocence of some people in criminal trials may become an

almost irrelevant factor. There have been simply too many bizarre acquittals in the United States under the tainted evidence rule to think otherwise.

Third, I find there are provisions in the charter which could result in the abortion section, Section 251 of the Criminal Code, being struck down as being unconstitutional. That would mean abortion on demand. Unlike the Prime Minister, who indicated last week that if that happens this Parliament would simply re-enact Section 251, I fear that a majority of Liberals opposite lack the political will to bring such a measure back into this House.

Fourth, and perhaps the most important, I am concerned about the absence of one member of the Canadian family in this Accord and, coupled with the concerns that have been voiced by the Premier of Quebec and the leader of the opposition there, I am concerned this absence could create unity problems for the country in the future.

● (1650)

I mentioned at the outset the fact that only 27 per cent of francophone Quebecers seem to think this matter is "a good thing" disturbs me profoundly, as I think it must disturb any Canadian. Does this resolution really respect the duality which the Pepin-Robarts Task Force on National Unity said was essential for the country to remain together in the future? Some say it does but, if so, why does Mr. Claude Ryan seem only a little less concerned than Premier Lévesque about imposing a version of the Canada clause on Quebec unilaterally, and that in an area that is of utmost concern and sensitivity to the Quebecer historically?

From the standpoint of the anglophone Quebecers, moreover, if the "where the numbers warrant" test is imposed on Quebec, how many English schools will close under that test? The minister of education has indicated it will be up to one third. Others including one of the members opposite, have pointed out that under the wording of the proposal now, if an anglophone sends his children to a French school in Quebec, his grandchildren will lose the right to attend English-language schools. That is a fine price to pay for trying to learn the majority language of one's province.

[*Translation*]

On the other hand, the Liberal members from Quebec—this is quite ironic—do not seem to be willing to guarantee the rights of francophones in the Charter which they helped to draw up. Any Canadian versed in the history of Canada knows that at its origin the country was born under the agreement of both founding groups sharing equal basic rights. When we deny or forget that historic fact, the entire country is in jeopardy. As one of the ministers opposite said!

Quebec cannot exist without Canada, Canada cannot exist without Quebec.

To send to London a resolution which would not show that Canadian duality would violate the confederative agreement of 1867. This is the reason why we moved that amendment and I strongly hope that we will introduce another one tomorrow dealing with section 23.

And finally, Mr. Speaker, on behalf of a country born out of an arrangement and some good will, for the sake of Sir Wilfrid Laurier, George Etienne Cartier, Louis St-Laurent and several others, I ask the Liberal members to support the amendment now under consideration and also the amendment to be moved tomorrow which will not impose unilaterally Section 23 on Quebec but will give it the right to opt out. It is useless, Mr. Speaker, to dodge, to shut our eyes and accept a promise of renewal which forgets an essential part of our national life.

[*English*]

Hon. Mark MacGuigan (Secretary of State for External Affairs): Mr. Speaker, more than one hundred years ago we Canadians set out on a great undertaking. At first hesitatingly, subsequently hopefully, we Canadians began the process of binding a continent together to create a country. Now we are about to complete the work of 1867.

In this, the last week of our new constitutional debate in Canada, our emotions are a mixture of satisfaction at what we have attained in the amended resolution before us and of regret at what we have not been able to accomplish.

It would be easy for those of us on this side to give way entirely to sentiments of disappointment. We have had to accept an amending formula which we regard as seriously flawed. Yet it must surely be clear by now that we place a much higher priority on the attainment of a Charter of Rights and Freedoms than we do on any amending formula, whatever its merit. In fact, it was this very difference in priorities that enabled us to reach agreement with the dissenting seven. Like the seven, we protected our highest value in the settlement; unlike them, we assigned first place to the rights of Canadians. We fought, not for power for ourselves, but for the people. And we won.

[*Translation*]

However, even in the Canadian Charter of Rights and Freedoms we have been unable to protect the Canadian people as much as we should have liked. Full protection will be possible only if and when a future Quebec government, determined to fight for rather than against Canada, agrees to the provisions on education. In addition, it will be possible only if also the other provinces do not override periodically the rights guaranteed in the Charter. Total protection depends on the continued good will of provincial governments and the continuing vigilance of Canadians.

[*English*]

But complete actualization of potential protections may not be needed at every moment of constitutional life. Professor Walter Tarnopolsky, perhaps the country's leading civil liberties specialist and the director of the new Institute of Human Rights at the University of Ottawa, developed the notion of the override in the *Canadian Bar Review* in 1975. He said:

I believe a notwithstanding clause . . . may be the only restraint we need place on the legislature . . . One must be realistic and understand that the most one can expect from a written bill of rights and judicial review is control of administrative and police action . . . Whether the courts do hold legislative or administrative action inoperative or invalid, is not always as important as the fact that they

can do so, and as the fact that in rendering their decisions they can amplify the terse terms of the Bill of Rights and infuse them with principles to which society aspires and will compel, even indirectly, the public servants to adhere to. Even in the United States, the Supreme Court has invalidated very few Acts of Congress, but its judgments are guidance of what will be tolerated.

If Professor Tarnopolsky is right in estimating that it is not acts of Parliament or of the legislatures that will from time to time need to be declared invalid, but rather administrative actions under their authority, then perhaps the people have not lost very much through the introduction of the legislative override mechanism. In any event, they can bring into play all their skills in political lobbying. Even if worst comes to worst and an infringing law is enacted, it has a maximum life of five years, thus allowing special interest groups further opportunities of defeating it at five-year intervals.

Our satisfaction on this side is increased by the knowledge that the achievement is owing to our own efforts. It was the principled idealism and the stubborn determination of this Prime Minister (Mr. Trudeau), this goverment, this caucus and this party that brought about the accord. Can anyone doubt that, without this contribution, there would have been no initiative, no momentum, no result? We would have been at the beginning rather than at the culmination.

● (1700)

[*Translation*]

That conclusion is most obvious when one compares the almost totally negative attitude of the dissident provinces at the federal-provincial conference of September, 1980, and their new determination to achieve an agreement in October, 1981. For our part, we were willing to find a compromise at the very first conference. Indeed that was why we called the conference. However at that time there was complete intransigence on the part of the dissenting eight. It was only 13 months later, after a continuing display of unflagging determination to carry the project to completion on our part, that an accord became possible, when they realized that they could in no way better its progress. Our strength achieved what weakness could never have won.

[*English*]

And now, the constitutional resolution goes from here to the Parliament of the United Kingdom for final disposition. I have said publicly many times that the British government would use every possible means to put our resolution through their Parliament, not because they had committed themselves to do so—although they had—but because it was their obligation to do it under the rules of the Commonwealth and of international law. Those who compared the constitutional convention to consult which the Supreme Court of Canada found to exist within Canada with the constitutional convention under which the United Kingdom was obliged to enact constitutional amendments requested by the Parliament of Canada through joint address failed to grasp the elementary distinction between non-law and law. The Supreme Court of Canada found that the constitutional convention of consultation within Canada was not legally binding, whatever else it might be. The constitutional convention of the United Kingdom, however, is legally binding because it is a requirement of Commonwealth and international law.

First, with respect to the Commonwealth, let us note the principles laid down at the Imperial Conferences of 1926 and 1930 and enshrined in the Statute of Westminster. These principles are simple. All states and parliaments voluntarily associated within the Commonwealth are fully equal in status and in no way subordinate to one another. They relate to one another as equals and address one another as equals, sovereign state to sovereign state and sovereign parliament to sovereign parliament. As such, they may not interfere in one another's internal or external affairs.

By constitutional convention, however, the Parliament of the United Kingdom enacts amendments to the Canadian Constitution as requested by the Parliament of Canada. In this respect, the Parliament of the United Kingdom stands in the same relationship to the Parliament of Canada as the Queen to her ministers. The Queen, of course, never exercises her powers without the advice of her ministers, nor refuses to exercise her powers when her ministers advise her to exercise them.

So it is with Westminster's power of amendment of the British North America Act. This power remains vested in the United Kingdom Parliament under the Statute of Westminster. It must be exercised upon request and as requested. That is the relationship to which Canada consented in 1931. That is the duty which Britain then accepted.

As early as 1937, in his classical work on "The Law and the Commonwealth", R. T. E. Latham wrote that " . . . Commonwealth conventions may prove to be or to have become indistinguishable from rules of municipal or international law". The tentative conclusion of 1937 has become the reality of today. Sovereignty, equality and non-interference are cardinal principles of international law. These principles apply between Commonwealth states. They clearly require the Parliament of the United Kingdom to act only in accordance with the wishes of the Parliament of Canada in the amendment of the British North America Act.

In international law, the same result is *a fortiori*. There is no question that Canada is a fully sovereign and independent state, nor that the federal government alone is competent to speak for Canada in all matters concerning foreign relations and to enter into treaties on behalf of Canada. Both under the British North America Act and the Law of Nations, the provinces of Canada have no status beyond the boundaries of Canada. This has been unchallenged constitutional law since the *Labour Conventions* case in 1937 and is embodied in the Department of External Affairs Act.

It follows from the sovereign status of states in international law that other states owe them a duty of non-intervention in their internal or external affairs. This duty of non-intervention is a master principle of international law. Deviations from sovereignty as established by international law can occur only by treaty, and the central nature of treaty law is the double criterion of consent and symmetry. If, as the Kershaw report

claims, the relationship between the two countries is of a quasi-treaty character, it would have to be brought about by the expressed and unequivocal consent of Canadian federal authorities, who alone have competence in the matter, and matched symmetrically by consent of the United Kingdom through its government or Parliament.

There is, of course, nothing in international law, in Commonwealth custom, in the records of the Imperial Conferences, in the Statute of Westminster nor in any expressed or implied treaty relationship to support the contention that Canada has gained anything but full independence, or has left Britain with a residual responsibility that would go to the very heart of our internal affairs. Canada has never consented to any such derogation from our responsibility and Britain has never claimed it. British governments and British parliamentarians, on the contrary, have affirmed for many years and at the highest level that Westminster is duty bound to act in accordance with the request of the Canadian Parliament in matters of constitutional amendment.

There might be something disquieting in this, despite the legalities, if we were asking Westminster to make our decisions for us. But, of course, we are not doing that. The joint address will ask the United Kingdom Parliament to implement the decision, not to make one. The political responsibility is ours, and ours alone. Only the legal form has to be fulfilled in Britain.

The attainment of full Canadian constitutional independence, when the final legal steps are taken in the United Kingdom, will perhaps mark a slight advance in our international recognition, a fuller legal expression of the sovereignty we have so often demonstrated in international deliberation and action. But I believe its consequences within Canada, on the other hand, will be enormous.

Not only have we added to our institutions a Charter of Rights and Freedoms along with a mechanism for future amendments to our Constitution, but what is to my mind even more important is that we have added to our self-awareness. What we are now saying to ourselves, in a form of sacred writ—our Constitution—is that we are bilingual country, a multicultural country, a democratic country, a country where God-given human rights take precedence over the man-made structures of the state. These are fundamental truths which are important for us to realize and express to ourselves and to the world. The act of formalizing them sets us on the road to fulfilling them. This is what I meant when I said at the beginning that we are about to complete the work of 1867.

• (1710)

Canadians are not, as a rule, a demonstrative people. But at our innermost heart I believe there lies a great love for this country we share together, a deep pride in what we have made of this part of the new world, and an unshakable determination to preserve our free and sovereign union.

Canadians have manifested this in many ways during this year-long debate; in their answers to pollsters of their strong support for the charter; in their attempts, in groups and as individuals, to improve the charter; in the groups of women, for instance, who brought powerful premiers to their knees; and ultimately even in their impatience to see the process brought successfully to an end. In a real sense the charter is theirs. They wanted it, they amended it, and now they will have it to protect them. In the words of our national anthem:

[*Translation*]

It will protect our homes and our rights.

[*English*]

This is the legacy of the last year, the legacy of a great country where the francophone minority can now feel at home everywhere, where the new peoples from beyond the seas can see their cultures free to survive, and where all can find something new and richer in being Canadian. It is a legacy we are proud to leave to the future.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Ethier): Order, please. It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Central Nova (Mr. MacKay)—Administration of Justice—Review of mandatory supervision policy. (b) Operation of system; the hon. member for Vancouver Centre (Miss Carney)—The Budget—Impact on construction of rental housing. (b) Request that provisions be amended. (c) Announcement of study results; the hon. member for Ottawa-Vanier (Mr. Gauthier)—the Constitution—Francophones outside Quebec—Protection of rights.

GOVERNMENT ORDERS

[*English*]

THE CONSTITUTION

RESOLUTION RESPECTING CONSTITUTION ACT, 1981

The House resumed consideration of the amended motion of Mr. Chrétien respecting the Constitution of Canada, the amendment thereto of Mr. Epp (p. 13492) and the subamendment of Mr. Broadbent (p. 13497).

Mr. Gordon Towers (Red Deer): Mr. Speaker, this is the first time I have prevailed upon the House to have an opportunity to make some comments on behalf of the many people I represent, in conjunction with some of my own thoughts. First I would like to give a great deal of credit to the hon. member

for Provencher (Mr. Epp) of our party for the work he has done on this Constitution. He has done an excellent job and has served us well.

It is indeed unfortunate that the ongoing debate on the Constitution has produced such acrimonious feelings and sentiments across Canada between provinces, between the provinces and the federal government and between groups and individuals. It has pitted region against region of our fair land. I regret that the Prime Minister (Mr. Trudeau) has pressed with undue haste to put together what I consider a slap-dash resolution which, to me, is second-rate. The time frame being forced on us in Parliament allows little time for sober second thought.

A murky constitutional resolution was further clouded by a fuzzy Supreme Court ruling. Certain questions have to be asked. When does something which has become a convention become legal? At what point in time does the common law of convention pass over into the brass-bound arena of legality? Is it possible that a measure could be accepted through convention and at the same time be illegal? Is it possible for a measure to be legal and at the same time unconventional?

I do not think the Supreme Court did the nation any favours with its vague ruling, but it did sit the Prime Minister down. It gave him a slap in the face and allowed the premiers of the provinces to be heard. It gave them some breathing room.

What of Quebec's claim that it still has a veto power? Is there validity to that argument? The Minister of Justice (Mr. Chrétien) says no, and he and the Premier of Quebec engage in a contest of personal name-calling. There are too many "ifs" and too many grey areas for the government to ask Parliament to rush its judgment.

The good is often the enemy of the best. The constitutional resolution might be good for some, but for others it is not just that good, and for some it is just plain bad. That is not the Canadian way. I am not happy with any measure which allows for special status for any provinces or any segment of our society. The Constitution should be the single most important document in our statutes. If there is an urgent and pressing need for a Constitution or a debate on a Constitution at this time, I must question whether there are not more pressing items on the stove with which Parliament should be dealing. The Constitution should be placed on the back burner until more important economic matters have been dealt with and resolved.

As a nation we have been in business for 114 years. We have managed to survive that long without any written, formal Constitution. For the past 55 years the federal government and the provinces have held periodic talks on the matter of patriation and an amending formula. While nothing tangible happened, none can deny that some progress was made, slowly but surely, like a glacier moving across the landscape.

Canada has been moving toward full nationhood—a free and independent nation. Most of our external symbols of nationhood are in place. Canadians were given a distinctive Canadian flag and, I might add, not without some bitterness and resentment. Some still refer to it as the Liberal rag. It is unfortunate, but it is true. The Liberals brought this upon themselves by their approach to the issue. It just did not need to be that way. It was very much mishandled.

In 1945 the House of Commons voted, 182 to 2, in favour of having a distinctive flag. In 1946 the Red Ensign was put forward as a substitute for the Union Jack until a new flag was approved, and this happened about 20 years later. "O Canada" was adopted as our official national anthem. This too was a slow process.

It has been alleged that a nation which does not have its own constitution, its own autonomous institutions and its own national flag is not free. In 1955 the then minister of justice, Mr. Garson, described the present situation when the question of a bill of rights was debated in the House of Commons. He said:

> We are in a position in which we have to secure from the Parliament of the United Kingdom amendments to our Constitution with respect to all of these matters of joint concern to Canada and the provinces.

This state of constitutional subordination was relished more by Canadian politicians than by the British Parliament. It was, and is, a convenient protection against embarrassing demands for constitutional reform. None in this House will disagree that it is time to end the procedure whereby amendments to the Canadian Constitution, the British North America Act, must be referred for approval to the British Parliament. That is one giant step toward full Canadian nationhood. Nobody argues about that, but when we reach this stage, we must then proceed with caution. We must make haste slowly.

It is inconceivable that Canadians should be expected to accept a full grown and full blown Canadian Constitution overnight. Constitutions are not made; they grow. They grow through years—nay, centuries—of customs and usage through convention and practices.

The United Kingdom has no formal, written constitution; it has survived for almost a thousand years without one. Yet if one were to ask a Briton if he or she had a constitution, the answer would be yes. He or she would point to the Magna Carta, habeas corpus and a galaxy of other statutes and safeguards etched in law, custom and usage.

If we had had a constitution during the so-called October crisis, I wonder whether Canadians would have been any better off. Would their civil rights have been better protected and guaranteed had a formal document been in place? I think not.

There are large numbers of our people who are very concerned about the direction in which we in Canada are going. My colleague for Edmonton Strathcona (Mr. Kilgour) mentioned the trend toward the Americanization of Canadian law. I want to read part of a letter from concerned Canadians. Incidentally, this letter is signed by seven ex-RCMP personnel and a retired B.C. provincial court judge. I would like to put it on the record. I quote:

● (1720)

With the federal government announcement that national security is being removed as a responsibility of the RCMP, Canada is another step closer to becoming the Afghanistan of North America. And if the Prime Minister of Canada is sleeping peacefully these nights, Canadians are not. Canadians are aware that their freedom is being eroded by Ottawa mandates, legislation and political convictions. They are also aware that such convictions are not necessarily the convictions of the up-until-now "silent" majority. Canadians have always taken pride in the knowledge that their personal rights, social and political liberties were being maintained and protected by one of the world's finest body of men engaged in police work.

Today, that pride is being systematically destroyed. First, the Kent Commission tabled its recommendations to control the media. Then, the McDonald Commission brought forward a report obviously designed to embarrass, humiliate, and bring to an end, the effectiveness of the Royal Canadian Mounted Police Security Force.

Control the media, control the security—and you control the country. Simple as that.

I bring this to the attention of hon. members because Canadians are very concerned as to what is happening to their security. I am sure that all members received a brief on the Canadian Constitution from the Canadian Police Association. I quote:

The Canadian Police Association wants it clearly understood that we are not opposed to Canada having its own Constitution, whether by patriation or otherwise, or to a Charter of Rights and Freedoms with such fundamental legal principles as can be capsulized in constitutional language, as long as Parliament and the legislature can at least share with the courts the function of evolving Canada's criminal law and procedure in future years.

We do, however, strongly object to the dangerous wording of the Charter of Rights and Freedoms as presently proposed which, in our opinion, would dramatically affect our criminal justice system and abdicate Parliament's authority and responsibility as the primary guardian of the rights of Canadian citizens.

In supporting the position taken by the Canadian Association of Chiefs of Police and the Canadian Association of Crown Counsels, the Canadian Police Association, on behalf of over 50,000 members, hereby expresses its grave concern regarding certain provisions of the Canadian Charter of Rights and Freedoms which forms a part of the proposed Canadian Constitution and relate directly to legal and/or law enforcement issues—

The wording now before Parliament invites the courts in Canada to adopt the United States exclusionary rule, which has never been the law of Canada, England or the rest of the Commonwealth.

Let me impress that there has never been as good a force in the world as the British rule of law and British justice. The quote continues:

The rationale of the United States approach is that courts can supervise and discipline police by the after-the-fact sanction of excluding evidence and thereby protect the civil liberties of individuals. The Anglo-Canadian experience is that the function of the courts is to search for truth by having all relevant evidence and the best way to supervise and discipline police and thereby protect the civil liberties of Canadians is by before-the-fact direction to police and by subsequent prosecution and/or disciplinary hearings for police to act illegally or improperly.

I feel the Liberal government has let the RCMP down very badly because of its mishandling of the police under the McDonald commission inquiry. We live in an imperfect society. We are being asked to sanction an imperfect document. Stephen Leacock once wrote that the only place one is likely to find perfection is in a socialist commonwealth of angels. He is probably right.

I cannot accept an imperfect resolution which is bound to create more problems and more division than it will solve. There will be court case after court case. It will be a gold mine for lawyers. It will create a tremendous workload for the courts. Many of the issues will be taken out of Parliament and placed in the courtroom.

The litany of imperfections is lengthy. Any one is reason enough to oppose this measure. Taken together, the sum total of evidence against it is overwhelming. I cannot in conscience support this measure in its present form. I cannot in conscience abstain from voting against it. I must in conscience speak out against what I believe is wrong and imperfect. Somerset Maugham once wrote:

Conscience is the guardian in the individual of the rules which the community has evolved for its own preservation.

One thing for sure, I have not had to wrestle my conscience to the ground. I have been guided by the advice of scores of constituents who have contacted me. Their advice and support have confirmed my own findings, strengthened my resolve and spurred on my conviction.

Regrettably, language and institutionalized bilingualism has been a divisive factor on the road to nationhood. Almost 30 years ago Mason Wade wrote:

Destiny, not of character, but of fate, has made the French-Canadians a tragic people in the highest sense of the word. So long as they continue to speak the French language—the most precise, vivid and rapid language in western civilization—they may be our partners and we theirs, but we can never be a single people.

Does this mean we must despair of making Canada a truly united country? Not at all. We must first recognize that we have a great deal in common and that we have made enormous progress toward mutual understanding. The good will that existed before the present tenure of the Prime Minister was much superior to that which exists today. The hatreds of former times were almost dead and they must not be revived.

Several of the causes of friction which have been at the bottom of the crises of the past must not be allowed to reappear. One may say, moreover, that to the degree that Canadians become more Canadian, are more proud of their country, admit no other allegiance than they owe to their country, they are becoming more tolerant and more open to mutual understanding. This mounting pride seeks expression.

I cannot see a Canada where there is not equality applied equally in all of the ten provinces. I cannot see a Canada where there is one set of rules for nine of the provinces and another set for the tenth province. I cannot envisage a Canada where a person is excluded from promotion or advancement because of his or her mother tongue.

I cannot tolerate a federal public service, police force or Department of National Defence where language becomes paramount over merit. The merit principle has served our country well and it will continue in the future if given an opportunity.

I believe that the journey towards a bilingual country should be a voluntary walk, not a forced march. At the present time I want to bring to the attention of this House a problem that exists for English-speaking people in the province of Quebec. I want to quote from two articles in the November 27 Montreal *Gazette*. I quote:

Buoyed by the success of native and women's groups in getting their rights restored to the constitutional package Quebec's Protestant school boards have begun pressing Parliament to guarantee English education in this province.

Telegrams have been fired off to Prime Minister Pierre Trudeau and Justice Minister Jean Chrétien . . .

The constitutional proposals now being debated by Parliament guarantees schools where numbers warrant to francophones outside Quebec with eligibility simply defined as those whose mother tongue is French, or those whose parents were educated in French anywhere in Canada.

However, another clause—the one the boards want repealed—says a similar guarantee of English schooling based on mother tongue will not apply in Quebec unless the Quebec government agrees to it. If Quebec does not agree, the so-called Canada clause, guaranteeing English schooling for children whose parents were educated in English anywhere in Canada, would be imposed on this province. That's not good enough for the school boards.

● (1730)

"The fear about the Canada clause is that it will be detrimental to pupils whose mother tongue is English but whose parents in good faith and in the spirit of co-operation have sent their children to French schools or French immersion courses," said Paterson.

"The Canada clause could have a detrimental effect on those pupils' chance to later send their own children to English schools."

Thousands of children, Mr. Speaker, are apparently caught in this situation. There is no protection for them in the constitution, and certainly there is no provision for the jurisdiction of the courts.

I should like to quote Ian MacDonald on the same issue. He says:

A lot of people may be wondering what the Constitution actually says in this famous "Canada clause" they've been hearing so much about . . .

"Citizens of Canada who have received their primary school instruction in Canada in English or French and reside in the province where the language in which they received that instruction is the language of the English or French linguistic minority of the province, have the right to have their children receive primary and secondary school instruction in that language in that province." . . .

It means that if you were educated in Canada in French or English, you have the right to send your kids to school in that language. In practice, the Canada clause will apply mainly in Quebec, overriding Article 73 of the Charter of the French Language, Bill 101, which limits access to English schools to "a child whose father or mother received his or her elementary instruction in English in Quebec."

In the rest of the country the Canada clause will also apply, but the more important criterion for minority language education rights is a simple question of "first language learned and still understood."

That is Section 23(1), Mr. Speaker. I would like to quote it for the record at this time. It reads:

23. (1) Citizens of Canada

(a) whose first language learned and still understood is that of the English or French linguistic minority population of the province in which they reside, or

(b) who have received their primary school instruction in Canada in English or French and reside in a province where the language in which they received that instruction is the language of the English or French linguistic minority population of the province, have the right to have their children receive primary and secondary school instruction in that language in that province.

Mr. MacDonald's column went on to read:

That is Section 23(1)(a) of the federal resolution, otherwise known as the "mother tongue clause." The feds finally decided to go with two standards for two different reasons.

First, they could not apply only the Canada clause in other provinces, since there were no French schools in some of them at the time when many francophone parents were going to school.

Therefore, if it could not be demonstrated that the parents had themselves attended primary school in French, they could hardly claim the right for their children. A big technical hitch: ergo, no Canada clause in the rest of Canada. The mother tongue clause would do the trick.

But not in Quebec. An English mother tongue clause in this province would mean that naturalized Canadians of English-speaking origin would have access to English schools. In effect, this means New Canadians from Commonwealth countries, like India, Pakistan and Zimbabwe. Political dynamite.

No Canadian should be denied equality of opportunity because he is unilingual in either of the official languages. If there is to be equality, there must be true equality, Mr. Speaker. We cannot have bilingualism and Bill 101 side by side in this country. There is no room for restrictive covenants which discriminate against segments of our population.

To me, a Charter of Rights and Freedoms is window-dressing. It is something for the Prime Minister to run up on a flag pole as a retirement legacy. I am suspicious of any charter, especially of one proposed by the Prime Minister, this man who trampled on the basic rights of so many Canadians during the October crisis, a time of an alleged apprehended insurrection. Mr. Speaker, does this not ring a bell?

On too many occasions in this country the liberties of individuals and groups have been cast aside for the alleged common good. The treatment of the Japanese during World War II is a scar we will shamefully carry forever. The treatment of Jehovah's Witnesses in Quebec is a blight on religious freedom and liberty. The War Measures Act was an insult to liberty and an affront to justice. All this was done by a man who now brings in a Charter of Rights and Freedoms. Can he be trusted? Has he repented? The spirit of John Diefenbaker cries out, "This is a greater conversion than the one on the road to Damascus".

There is no reference in the proposed Charter of Rights and Freedoms to the right to own property. I recognize, Mr. Speaker, that this is under provincial jurisdiction and that we are fairly safe in the Province of Alberta. In fact, I know we are safe there. But what about the Province of Saskatchewan, that socialist province where the government is taking over control of more and more land, land upon which food is produced? It does not bother me so much that governments are setting up Crown corporations, but it really bothers me when the state takes over control of the land upon which we produce our food.

The Charter of Rights and Freedoms is intended to protect people from government. How can people be protected? How can people be assured and guaranteed their rights if there are no provisions for overriding legislation? Further to that, God was reluctantly paid the minimum wage by the Prime Minister in the charter.

Further to that, Mr. Speaker, what are the rights of the unborn? I happen to believe that life begins at the moment of conception. Unborn babies must be recognized as members of the human family. How many members of government could guarantee they would be here today if abortion on demand had been in effect in Canada in the last 70 years? After 55 years of slow progress on the Constitution in Canada, why must we slip up in a flurry of undue haste? Why do we not think about the

responsibility that humanity has, which is to be prepared to accept our responsibility for the defenceless unborn child? This is one of the basic human rights and it is omitted from the charter.

I know that the Prime Minister has given his affirmation; he has made a statement on that. It is a verbal statement. I once heard a politician say that the statement was not worth the paper it was written on. That is how I feel about the Prime Minister's statement. I ask, why the great hurry?

I recommend to hon. members that they read some of the statements which were made by members from both sides of the House during the debate on the Diefenbaker Bill of Rights in 1960.

Certain of our rights—indeed all of our most important rights—were not given to us by government. Government cannot give anything to us until it has taken something away. Many of these rights were hard fought for and hard won. They are inalienable rights. These rights have deep roots in history, in custom and usage, in convention and in common law. They were ours originally. Then, of course, every time government does something for you, you lose a part of your very being.

We are fortunate to live in a parliamentary democracy where the individual is supreme. We are fortunate because of the rich legacy of laws and statutes we have adopted from the mother countries of Great Britain and France.

On the road to nationhood, we have experienced growing pains. We have made mistakes. But when women and men of goodwill reason together, common sense, logic, compassion and understanding prevail.

No one in the House will oppose the move to patriate the British North America Act and bring it home to Canada. No one will oppose the reality of being able to amend our own laws in Canada without reference to any outside legislature or parliament.

Canadians everywhere will decry the inordinate rush to rough justice for many Canadians. Many will question the need to blindly adopt a resolution which was hastily agreed to.

If there is need for a Charter of Rights and Freedoms, I want to see it made in Canada. I do not want to see a patchwork, incomplete and unacceptable charter thrown together in Canada and enshrined in Britain.

It is time for sober, second thought. It is time for a cooling off period. It is time for the government to hear the views of those who will be affected. It is time for the government to heed the cries of those Canadians who will suffer because government moved to enshrine their rights. If we do this, Mr. Speaker, there is no reason for unravelling the accord that has been arrived at by the provinces. They have done a good job and I give them credit for that. We can patriate the Constitution, yes; we can patriate the Constitution with the amending formula, yes. It is not my intention to undo the accord in any way, shape or form by anything that I have said, but I do think the time has arrived when we as members of this House of Commons must take a second look and approach this problem with common sense.

• (1740)

Some hon. Members: Hear, hear!

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, like most members of the House who have had an opportunity to speak in this debate, I consider it a great honour to do so. This is a historic debate and undoubtedly is the most significant debate on the most significant matter the House has ever dealt with.

Some of the famous debates concerned the building of the CPR under Sir John A. Macdonald, the navy bill under Borden, conscription, pipeline, the flag debate—all of these have gone down in Canadian history as part of our heritage and our tradition. But this constitutional debate is the greatest of them all, and that is why it is a pleasure to have the opportunity to particpate in it.

I have not had a speech ready to give at a moment's notice, Mr. Speaker, because we were in a period of flux until recently. Earlier today when I had to decide what I would say when I spoke today, I thought I might talk about some of my feelings and about how I regard where we are at this point in the debate.

My attitude is a very positive one. I have a feeling of pride because I think the House is going to do a very good thing in two days' time. I think it is important that we recap for a moment the elements of what we are about to do in patriating the Constitution.

Until the beginning of this year many Canadians did not know that the Constitution of Canada did not reside in Canada but was still an act of the British Parliament. Canadians now know that for a variety of reasons we have not been able to bring that Constitution home for 114 years. As the result of this debate, many Canadians are now aware that we started making a conscious effort to bring the Constitution home in 1927 under Mackenzie King. In 1931, the Statute of Westminster was passed and the other dominions, as they were then called, cut the umbilical cord, but for several reasons Canada was not able to do that.

I was surprised to hear the hon. member for Red Deer (Mr. Towers) say that he felt we must make haste slowly. If any nation has ever made haste slowly on the subject of the Constitution, it is Canada. The question of patriating the Constitution is not in contention. Just a couple of months ago people were saying, "Leave it; it has been fine for years and there is no need to worry about patriating it." I think it is clear that the consensus in the country now supports patriating the Constitution.

We have a very good amending formula which I think is reasonable and fair, Mr. Speaker. In all honesty, it is not all that I personally had hoped for. I liked the provision for a referendum when there seemed to be no other way to get agreement. I have never been afraid of going to the people, particularly with the built-in safeguards that were in the referendum procedure which would have required a majority of the people in each of the four regions to vote in support of a constitutional amendment. We compromised on that because

there was a real desire to reach an agreement with the provinces. That agreement was reached, and there was an accord.

I admit I am somewhat surprised not just by the attitude of the hon. member for Red Deer but by many members of the official opposition who, for months when the government was prepared to go ahead without the consent and agreement of most of the provinces, kept urging the government to try to reach an accord at all costs. Now that the accord has been reached, they are prepared to break it for a variety of amendments which they have put forward.

The NDP were at least prepared to go ahead, regardless of whether a majority of the provinces agreed. I think it is now consistent with that position for them to move amendments to the accord, but I find it difficult to understand the position of the official opposition in this regard.

Notwithstanding my remarks about the opposition and their attitude to the Accord, I think it is fair to say that when the debate on the Constitution began there was a fair bit of acrimony when the subject of the amending formula came up. I do not think that acrimony exists now. There may be some people who disagree but we do not have the dissension we once experienced in the House.

We now have a charter, Mr. Speaker, and I think it is a good charter. I have always been committed to the concept of a charter although I realize that not everyone in the House has been. Earlier today I read some of the speeches hon. members opposite made when the item first came up for debate. Many members, particularly in the Conservative Party, were opposed to the basic concept of a charter before there was even any debate on what it might contain.

We know the position of former Premier Lyon and, quite frankly, I think it hurt him in the recent provincial election although that would be difficult to measure. A lot of people do not fully understand the ramifications of the charter or the ramifications of bringing the Constitution back home.

When it comes to a question of wanting the problem solved or not wanting it solved, I think most people want it solved. When it comes to the question of helping or hindering, I think most people want to see the premiers of this country helping. To the extent that former Premier Lyon was a hindrance, I think the people of Manitoba spoke and clearly indicated their sentiments on that.

Personally, I have never been in doubt about the charter. I have to admit that I have been greatly influenced by the experience of chairing the Special Committee on the Disabled and the Handicapped which went across the country and listened to hundreds of handicapped and disabled people speak about their feelings and why they wanted a charter. Many of them said; "Don't leave us at the mercy of the provinces. We want this charter and we want it in force right across the country." Well, Mr. Speaker, it is in force right across the country. I know that some disabled people objected to the override clause but we strove for the best deal with the provinces, and I think that rather than the disabled people of this country being at the mercy of the provinces now, the provinces are at the mercy of the charter. The provinces cannot pass that override provision in a piece of general legislation every few years. They must put it in every act that they want it to apply to and they have to re-enact it every five years or else it automatically lapses.

The political reality of a formula such as that is that it will rarely, if ever, be used. And I do not think it is likely to be used with respect to the disabled and handicapped people of this country.

At the outset of the debate on the Constitution I know that people did not see the need for a charter. I think that mood has changed. The remarks of the hon. member for Red Deer are not typical of the feelings of most Canadians, in my view, although there are still some who feel that way.

About a week ago I spoke to a group of lawyers at a luncheon in Toronto. Afterwards there was a question and answer period and one man asked if I could tell him how his life would be any different after the charter is in place. I had to admit that his life probably would not be any different. I also tried to point out to him that he was white, he was able bodied, he was Anglo-Saxon, he was a lawyer, he had a good income—

Mrs. Appolloni: He was a man.

Mr. Smith: As the hon. member for York South (Mrs. Appolloni) has pointed out, he was a man.

• (1750)

I think it is fair to say that if most of us look at the many advantages we all have, that the odds on any of us having to fling ourselves at the courts and plead for the intercession which the Charter would provide for us are perhaps not that high. However, there are many people in this country who do not fall into the categories to which I have just referred. When I pointed this out to the gentleman at the luncheon, he said, "You are right. I had not really thought about it from that perspective before". He had to admit that he had really only been thinking of himself. I think it is very important for all of us to analyze our thoughts and emotions on this subject. We should not only think about how it will affect us personally. We should think also about how it will affect many people who do fall into these disadvantaged groups.

I was disappointed when I heard the hon. member for Red Deer (Mr. Towers) say that he could not support the charter. He said that he was automatically suspicious of anything which had been proposed by the Prime Minister. Quite frankly, I am really shocked by that attitude. It would seem to me that everyone in the House ought to be sufficiently mature to be able to analyse a piece of legislation, a resolution, or whatever is before the House, and judge it on its merits and not on whose name is attached to it.

Some hon. Members: Hear, hear!

Mr. Smith: I think, though, that we have come a long way in the House since last fall. I remember that after the first minister's conference in September of 1980, there was a breakdown. The ten premiers, after they had eaten breakfast, went to see the Prime Minister. They had 11 demands which, quite frankly, had the Prime Minister agreed to them all, would have emasculated the ability of the federal government to run this country. It would have been virtually treasonous to have accepted those demands. The Prime Minister was prepared to accept a few but not to give away the fort and all the supplies that were in it.

If we try to analyse what happened there, and why matters broke down to the extent that they did, we will find, I think, that there were surely some personality clashes which may have contributed. But I think that the Prime Minister really put his finger on it when he spoke in the House earlier this year. He referred to the incident which happened in 1966. For the first time, the then Premier Johnston of Quebec, in responding to a move by Prime Minister Pearson to patriate the Constitution, said, "Yes, you can have Quebec's agreement, but we have a price tag". What happened then was that many premiers sort of fell into the rut of saying "Yes, we will go along with it, but this is our price". It was at that point that the Prime Minister started hammering through the message that we, as a party and as a government, were not prepared to trade off rights for fish and oil. He kept hammering away at that point and, thank goodness, it got through. I think the people of this country really agree with that point. What it really boiled down to was leaership and determination.

I can remember that during the early stages of this debate I would frequently hear, while I was travelling around the country, the word "obsession". Some people felt it was an obsession. What are the characteristics of leadership? I think it is fair to say that had John A. Macdonald waited for universal agreement to build the CPR, it would certainly never have been built. It would have never got to Vancouver and Canada would not be in the shape it is in today. Sometimes there comes a situation where someone must break the log jam, must show determination, and must just take the bull by the horns and say, "We will do the right thing and we will press on". That is exactly what has happened. In my viewpoint, that is the final analysis of the true test of leadership and what it is all about.

In the years to come, I wonder what our recollection will be when we think of the constitutional debate of 1980 and 1981? My first recollection will be of the night we voted to set up the committee. There was a near riot here on the floor of the House. Mr. Speaker was being defied by some hon. members who, in my opinion, were acting quite disgracefully. Some of them were standing up and shaking their fists, at Mr. Speaker.

Mr. Taylor: It was closure.

Mr. Smith: It was an unfortunate thing. My sister, who has lived in California since 1949, just happend to be here. This was the only time she had ever sat in the House of Commons. It was that day.

Mr. Baker (Nepean-Carleton): I met her that night.

Mr. Smith: That is right. The hon. member for Nepean-Carleton (Mr. Baker) did meet her. He was very charmed by her because she is a lovely lady, and she was quite charmed by him. In any event, she was sitting up there in the gallery. She sat there in complete disbelief until about 2:30 in the morning when the whole thing ended.

However, it is quite fair to say that that mood and atmosphere has evaporated. It is gone. I think that when the vote is taken on Wednesday night, there will not be any recrimination, there will not be bitterness or acrimony. That mood has disappeared, and I think that fact is good cause for all of us to be very proud.

Second, when I think of what I will look back on, I will probably recall my first reaction to that night. I wondered whether we would ever be able to heal the divisiveness and whether there was any light at the end of the tunnel. I remember a speech which was given by Senator David Croll. Senator Croll talked about being on the right side of history, and how, at the time history was taking place, it was not always clear to everyone which, in fact, was the right side of history. He reminded us of the debate on citizenship in this country which took place in the 1940s. Of course, Senator Croll has been in public life since the 1920s. Thank goodness, he is still active in public life. However, he reminded us of the citizenship debate. No one has a more waspy background than I do, and I am quite proud of it. However, I am also proud to be a Canadian. I remember that at the time when we had the debate on citizenship people were saying that it was a treasonous and terrible thing to give up being British subjects for Canadian passports and Canadian citizenship. At the time, there was a really hot debate. But when one looks back on it now, it is inconceivable to think that anyone would have been against Canadian citizenship. However, they were at the time.

There was a similar situation during the flag debate. I was fortunate enough to be working here as an assistant at the time. I sat and listened to most of the flag debate from the galleries. Some of the very divisive statements made at the time might have caused one to think that perhaps we could never heal some of the divisions in the House. However, there was a right side of history at the time. Surely, one cannot be against the Canadian flag.

I believe that when we look back in years to come, there will be a right side of history on this one. I just remember how correct Senator Croll was. He said, "In years to come, you will look back and find it inconceivable that anyone could have been against bringinng the Constitution home." He was more of a prophet than some people may have thought, because I think that most people in this country are already in this mood.

The final recollection to which I might refer relates to the fact that the disabled are included in Section 15. When the first draft came out, they were not included. I remember my first reaction to that. I do not think the fact that they were excluded was indicative of anyone being mean spirited or

indifferent. People were simply not aware of the need for their inclusion.

Mr. Baker (Nepean-Carleton): I think you are right.

Mr. Smith: I remember speaking on it in caucus time after time, to the point where I almost felt that I was becoming a pest. One would see the odd person rolling his eyes back as if to say, "Here goes Smith again on the disabled". However, I remember the feeling I had when the Minister of Justice stood up in caucus and announced that the disabled would be included. If I never do anything in public life again, that will have been worth it.

Mr. Baker (Nepean-Carleton): I agree.

Some hon. Members: Hear, hear!

Mr. Smith: There are some other memories. I could talk about spending some time in Great Britain. In March, I spent three weeks there talking to about 40 Members of Parliament about the Constitution, the caucuses and the arguments.

However, I see that my time is up. I would just like to say that it is all great history. All of us should be proud to have been part of this chapter of nation-building. When the curtain drops on Wednesday night and the role of this House is finally complete, I am sure we will all stand up and give a great cheer to have been part of it.

The Acting Speaker (Mr. Ethier): It being six o'clock, I do now leave the chair until eight o'clock p.m.

At 6 p.m. the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

Mr. Ron Stewart (Simcoe South): Mr. Speaker, I want to say at the outset that I am in favour of patriating the British North America Act and an amending formula which is the most acceptable to all Canadian provinces and all Canadian people. I might add that have not changed my mind one iota since my constitutional speech on the first proposal.

Once again, I am concerned with the hurry up attitude of the government opposite. The Constitution is too important. Our rights are too sacred to be rushed along in a whirlwind of hasty meetings and telexes, hasty amendments and House agreements. I say, stop the merry-go-round and slow down. What is the hurry?

I do not want to see Canadians saddled with an imperfect Charter of Rights and Freedoms. I do not want to see Canadians saddled with many of the clauses which will not stand the close scrutiny of Laurier's sober second thought. Rome was not built in a day. Constitutions are not made overnight, or late at night in kitchen conferences at the Conference Centre amid bottles of whisky. Constitutions are not made in hasty, badly thought out compromises. On Wednesday we will be asked to vote on this hasty document, an Accord of flaws, an unworkable maze.

I for one do not want to see a Canadian Charter of Rights and Freedoms in stone and enshrined in Great Britain. I want to see it made in Canada by Canadians, and I want a charter as perfect as men and women can devise. But the axe falls Wednesday at three o'clock.

Personally, I want to see our rights carefully considered, not traded off for expediency and efficiency to meet some fictitious timetable, a timetable to salve one man's manic ego whose documented desire is redistribution of wealth in this Canada of ours and enshrined bilingualism.

I fear as much this charter proposed by the Right Hon. Prime Minister (Mr. Trudeau), the author of "Federalism and the French Canadians", the implementer of the draconian War Measures Act, the closure artist, the order in council buck passer, the prosecutor of the Official Secrets Act, the manipulator of the uranium cartel, the man from whose cabinet the Hon. James Richardson retired warning us all of the Prime Minister's motives regarding the Constitution. I fear a Charter of Rights and Freedoms from someone who has ignored rights.

We may be opening up a Pandora's box by proceeding with undue haste and a lack of caution. What is wrong with a cooling off period and the appointing of a constituent assembly? We could then go about our business while the Constitution is being debated again. We could look after the economy. We could strike an all-party committee and invite the Governor of the Bank of Canada to sit in on the hearings, and we could do something about interest rates, the mortgage rates and the deplorable lack of housing. What is wrong with a second thought given to the resolution by Canadians from all walks of life? There are too many ifs and buts in this resolution. There are too many loopholes, many more than the ones which the Minister of Finance (Mr. MacEachen) is supposedly addressing in the budget. There are too many escape clauses and too many clauses which divide us. There are too many areas for disagreement.

Will the Yukon and the Northwest Territories be forever doomed to territorial status because of this imperfect resolution? It certainly looks that way.

Will our system go the way of the United States in dealing with criminals? I hope not, but I fear so.

Already there are revolving doors at main entrances to most police stations. As quickly as police round up lawbreakers, they are released and back on the streets in record time. The police in this country are helpless to carry ou the mandates to which they are pledged. Violent crime is on the upswing in most communities in Canada.

Are we moving toward a society where there is more concern for the rights of the criminal than for the rights of the innocent? I hope not. I do not want to see a society where the civil liberties of the lawbreaker override the basic rights of the law-abiding citizen.

I am sure that all Progressive Conservative members have received in writing the concerns of the Ontario Attorney General in this regard. I am sure that all parliamentarians have received the objections of the Ontario Police Association to the exclusionary rule. Are we adopting the U.S. Miranda convention? I certainly hope not.

● (2010)

Former Senator Eugene Forsey, now retired, is one of the most respected constitutional experts in this country. Permit me to read what he wrote:

> If we draft in haste, we may have to repent at leisure, and a very prolonged leisure. We could be stuck with a blotched Constitution for a generation or more. Our children and our children's children might have to suffer the consequences or our carelessness, our fecklessness.

I agree with this thesis a hundred per cent.

Is there no way that this imperfect document may be hoisted so that it may be made more perfect, as perfect as the input of all interested and involved Canadians will allow; a constituent assembly taking at least as long as the original document took which was ended by closure? Is there any sane reason for this inordinate haste to rush to judgment, to Great Britain? Is there any logical reason for the imposition of informal closure by the government House Leader? Are there any compelling reasons, and if there are, I fail to see them. Will this resolution make Canada a better place to live in? Will it create harmony and unity? Will it heal wounds rather than create new ones? Will it make better partners of the two founding races in confederation? Will it strike down insidious invasions against language freedom, such as Bill 101 in Quebec? Will it guarantee the same language rights to the English-speaking minority in Quebec as it does to the French-speaking minorities in the other nine provinces?

The Houses of Parliament here have some 1,800 employees. About 50 per cent of management consists of anglophones and about 50 per cent of francophones, the remaining two-thirds being francophones. Is this employment by merit or by language? Does this sound right; does it sound fair? Will the charter curtail or promulgate these things?

Under Sections 23 and 58, will the provision to allow provinces to opt into language rights enhance and advance the government's linguistic goals for this nation? I fear not, and I also fear institutionalized bilingualism. I fear the Canada clause and I fear for the English language in view of this government's policies.

I ask you, what will this nation face if Quebec ever secedes? I am afraid there will be acrimony, and acrimony of the most bitter kind.

Under Section 28 the notwithstanding clause is really an override. The much vaunted Charter of Rights and Freedoms is really not entrenched or enshrined in the Constitution. It is subject to change at the future discretion of federal and provincial legislators. I happen to disagree with this approach. The draftsmen are attempting to ensure that the custodians of our rights will not be appointed judiciary, but the elected representatives in the federal and provincial arenas.

I happen to be one of those who feel and believe strongly that basic human rights are not negotiable and not amendable. These rights were not given to us by the state. They are inalienable rights which stem from centuries of civil and common law, from confrontations with the monarchs and the barons, and from bloody battles in the defence of liberty and freedom. These are inalienable rights, as has been stated so many times; the right to life, liberty and the ownership of property. The state is not giving us any rights we do not already possess. To attempt to formalize these rights in a charter is carrying coals to Newcastle. Anything that is not written down I can do. It is those things that are done backwards that I fear.

The right to freedom of religion does not require any legislation which may permit a "notwithstanding" clause. The right to freedom of speech does not require any legislation which may permit a "notwithstanding" clause. The right to freedom of assembly does not require any legislation which may permit a "notwithstanding" clause. The right to own property does not require any legislation which may permit a "notwithstanding" clause.

By the way, under Section 2, where is the right to possess and enjoy the ownership of private property in the Charter of Rights and Freedoms? You will not find it, and do not give me the bally-hoo about provincial rights.

May only the state own property? The right to own property is a sacred right in this country and in a few others. Its omission from the charter is indefensible in my opinion. Historically we have always had that inalienable right to property. Even Machiavelli, who was championed by the right hon. gentleman across the way, stated:

> When neither their property nor their honour is touched, the majority of men live content.

Let me quote from Charles Evans Hughes in a speech at Elmira, New York, in 1907. He said this:

> We are under a constitution, but the constitution is what the judges say it is, and the judiciary is the safeguard of our liberty and of our property under the constitution.

Pope Leo XIII stated in 1891:

> Every man has by nature the right to possess property as his own.

It is ludicrous in my view to propose such a tentative charter. It is an affront to simple justice, equality, liberty and freedom to propose a charter which might be subject to change at the whim or caprice of some legislative body. Freedom of speech, religion, assembly and the right to own property are basic human rights. They are less than secure or safe if they are subjected to a "notwithstanding" clause.

These fundamental freedoms should mean the same throughout each and every province in this country. We have always assumed that our rights are universal and portable. We have never considered for a single moment that they might vary or be subjected to different interpretations depending on what province we are in.

If rights must be entrenched, so be it, but let them be entrenched without qualification or override. In my lifetime I

have seen too many abuses of the rights of some, ostensibly to protect the rights of others.

I think perhaps it was John Stuart Mill who said literally that every man has the right to go to hell in the manner of his own choosing so long as he does not bother his neighbour. I would prefer to take my chances with the courts interpreting my rights. I do not subscribe to the doctrine of legislative supremacy in all cases. If you prefer to go the route of legislative supremacy, maybe you should talk to the Japanese-Canadians whose rights were overridden during World War II, or talk to the Jehovah's Witnesses in Quebec.

I do not favour any lossely worded protection of basic rights which will permit the passage of discriminatory legislation. It has been written by others that the "notwithstanding" clause is a "watering down," a "gutting" and a "disembowelling" of the Charter of Rights and Freedoms. The "notwithstanding" clause weakens the charter, it does not strengthen it. Freedom of religion means just that—no "ifs", "ands" or "buts". The same goes for our other fundamental rights and freedoms.

Will we be better off with a Charter of Rights and Freedoms? Will we be more united? Will this proposed charter divide us? Those are interesting questions.

The United States has an entrenched charter, but its charter was wrestled, fought for an bled for. It was a declaration of independence from another country. That is a vast, vast difference.

On the other side of the Atlantic the United Kingdom does not have an entrenched charter of rights. In fact, the U.K. does not have a formal constitution. The U.S.S.R. has one of the broadest and most humanitarian charters for the protection of civil liberties that exists anywhere in the world. Need I say any more? So much for entrenchment.

We have existed for 114 years without an entrenched charter of rights and freedoms, and I think that, with a couple of obvious exceptions, we have done remarkably well. Most Canadians want an end to this debate, but I do not believe they wish an imperfect charter as the price. I do not believe they want an imperfect Constitution. I would again like to quote from Senator Forsey who said:

> —if we get an entrenched charter of individual and minority linguistic rights, putting them out of the power of Parliament or the provincial legislatures to touch . . . Such a charter would give the courts wholly new, and vitally important, powers over a vast new field of subjects; and the history of the United States shows how courts can interpret an entrenched bill of rights to block social progress. So the drafting of such a bill, or charter, will be both delicate and crucial.
>
> For example; a constitutional guarantee for parents to have their children educated in their mother-tongue (French, English, or native) would not protect the freedom of choice which the United Nations has declared essential. An English-speaking Canadian who wanted to have his children educated partly in French, or a French-speaking Canadian who wanted to have his children educated partly in English, or an Indian or Inuit who wanted to have his children educated partly in French or English, would have no constitutional protection whatever.

I do not believe that the people of Canada wish to trade parliamentary law for constitutional law. I feel somehow this evening that my remarks here are redundant. The dye has already been cast. We are all aware of it on this side of the House.

• (2020)

The government is determmined to proceed hastily with this inferior product while we suffer the consequences later. It may be news to the government but Canadians do not rate the Constitution very highly in the pecking order. As Canadians perceive it, I am told that it ranks about fifth. It rates below the economic issues.

I am sure that most Canadians condemn the headlong haste of this government to patriate the Constitution. No one will disagree with the laudatory principle of patriation of the British North America Act to Canada so that our national infrastructure may be amended in Canada by Canadians, which is not the situation now. Patriating the British North America Act and adopting an amending formula are long overdue measures, but as the old Chinese proverb says, "Every journey of a thousand years requires a first step."

Many of my colleagues and I are prepared to take that first step but many of us are reluctant to voice our approval for something which is incomplete, inferior and a product of poor draftsmanship.

Give us the ways and means to unite this country. Give us the opportunity to unite as Canadians while casting partisan politics aside for the common goal, and give us the hope that we may have a basic resolution which can be examined and improved from time to time. Wednesday at 3 p.m. is not long enough. Let us not attempt to hobble future generations of Canadian legislators, the judiciary and ordinary Canadians with what is expedient and at the time politically proper.

We must do what is right. I must do what I consider right and not just what is popular. It is to be hoped that all our constituents will understand what we are doing. We will always need a salve in this country to soothe the regions and provinces, but now more than ever.

Let us slowly embark on that journey of a thousand years, but we should make haste slowly. Next Wednesday at three o'clock is a moment of great personal and national decision. Donne said, "Ask not for whom the bell tolls, it tolls for thee."

Hon. Bryce Mackasey (Lincoln): Mr. Speaker, when I came to the House of Commons in 1962, many years ago, I think that my views on the issue of unity, bilingualism and multiculturalism had already been fairly well formulated.

I might just say, without going into detail, that my formative years were spent in a community called Sillery, halfway between Quebec and Quebec Bridge. As I recall, it was a community which was made upword principally of French-speaking Canadians—we used the word "Canadien" in those days, not Québécois. There was a large number of Irish Canadians and Scots living there. It was a community which was the exception rather than the rule. I had the privilege of learning French, not in school but from French-speaking Canadians, for whom I had a great affinity even as a youngster. We did many things in common. We played ball, hockey,

ran to vespers in the evening, went to mass which started at 10.30 in the morning and finished at 1.30 or 2 in the afternoon on Sunday. We learned to respect each other. We learned to respect each other's language, culture and traditions. Now and then we traded insults, which is normal, and had small arguments which disappeared overnight.

When I came to the House of Commons in 1962 I was appalled at the lack of sensitivity here. Documents were tabled in the French language weeks after the English version, and even those translations were poor. There were unilingual guards at the front door, which was an embarrassment to all members from Quebec who had French-speaking constituents visiting their Parliament.

Due to the foresight of Mr. Diefenbaker, who named the first French-speaking Governor General, and the wisdom and sensitivity of Mr. Pearson, who set up the Laurendeau-Dunton Commission, slowly but surely the understanding of the House in that respect evolved. When the Official Languages Act came before Parliament in 1969, it was endorsed by virtually all members of the House.

I had rather simplistic views on the Constitution in 1962. I saw a country in which both official languages would be recognized from one ocean to the other; where French-speaking Canadians could send their children to the school of their choice, as I could in Quebec. It was a right, not a privilege. I visualized a multicultural country in which all Canadians were equal. I linked that with the change in the Constitution. I even recall being encouraged by Mr. Pearson in the 1960s, as an English-speaking Quebecer in a predominantly French-speaking caucus, to present the views of English-speaking Quebecers forcefully in that caucus. However, an hour or two later I would find myself arguing the views of French-speaking Canadians along with French-speaking members in the national caucus.

Those were tough days, days when the President of the CNR said he could not find enough French-speaking Canadians to name to the board of directors of the CNR. It was not prejudice, but insensitivity, intolerance and misunderstanding. I have seen great progress made since. That is why I am a great admirer of the present Prime Minister (Mr. Trudeau), because imperfect as this Constitution and the Charter of Rights and Freedoms are, the Officials Languages Act is still enshrined in the Constitution. It is beyond the grasp of petty politicians who may in the future, if politically expedient, wish to modify or change the Official Languages Act.

For the first time, French-speaking Canadians outside Quebec will be able to demand that their children be educated in their mother tongue, by virtue of Section 23. The provision is less than ideal—it is limited by the phrase, "where numbers warrant"—but at least it is a step in the right direction. It shows which way we want this country to grow. I am pleased that the two criteria in Section 23 go a long way to implementing the concept of freedom of choice. I am a little unhappy that Section 23 is limited as far as that application is concerned to the English-speaking people of my former province of Quebec. I am sorry that Section 58 had to be introduced in that resolution which limits to some degree freedom of choice. If members opposite feel as strongly about Section 58 as the member who sat down, he or his party tomorrow can make an amendment to remove Section 58 from the charter if they feel like it. I do not think they will.

I am conscious, since I have been in Lincoln, of the privileged position I really had as a youngster in Quebec. I am sorry that the Constitution does not include the provision of Section 133 in every province across the country. I am truly sorry about that. I applaud Mr. Hatfield and his progressive approach to that issue. I am pleased, in other words, that we have gone a long way, through the Constitution, to rectify old injustices.

• (2030)

The hon. gentleman who just sat down recalled the intolerance of Quebec, and he mentioned the Jehovah's Witnesses and linked that situation somehow with the Prime Minister (Mr. Trudeau). I suspect that his knowledge of Quebec history is very sketchy and very superficial because if he knew anything—and he is not here at the moment—he would know that it was Pierre Elliott Trudeau and Frank Scott who took the case of the Jehovah's Witnesses all the way up to the Supreme Court against Mr. Duplessis and wiped out that infamous padlock law. That same Pierre Elliott Trudeau is the Prime Minister of this country.

I do not know how I will vote on Section 58. It bothers me, concerns me and worries me. I know how important language is to French-speaking Canadians. Their battle for survival is well documented. Thomas D'arcy McGee, who was one of the Fathers of Confederation representing the riding I represented when I left here in 1976 to go to Quebec to seek election, said as far back as 1857:

> The Canadien hold dearer than life itself, their social life, their historical rank, their religion, their nationality . . . Their language is their point of honour as well as their lever of power. So long as they keep it, they are unconquered. When it ceases to be spoken by their children, a greater loss than Montcalm's will be felt.

I share that view. I expressed it in the Quebec National Assembly the day I left. I admire French-speaking Canadians for fighting so vehemently for their language.

There is another reason hon. members opposite should welcome Section 23 as it applies to French-speaking Canadians living outside Quebec. They should be pleased at the extension of Section 133 to New Brunswick because there are many forms of separation and many ways by which separatism can occur, and perhaps the most dangerous, because it is the most subtle, is the kind of separation that would inevitably result if somehow in the future Quebec were to evolve into a unilingual French province and the rest of Canada were to become totally English. In no time we would cease communicating. In no time we would separate into two nation states. In no time such separation would be inevitable. On October 23, 1976, in a speech I gave the night before I announced my resignation in this House, I said:

But there is another road to separatism that is more dangerous because it is not so apparent. If over the next decade Canada were to become a country made up of two groups, two communities, two ghettos, if you like—one speaking only French and the other speaking only English—then in a relatively short period of time, both groups would be assimilated, culturally, economically or both, by the United States of America. It is the bilingual character of Canada that more than anything protects it against American cultural assimilation; it is the economic strength of the whole country that has preserved us so far from total economic subservience.

That is one reason, Mr. Speaker, if you do not buy any other, that we should welcome the growth in numbers of the Acadian people and hope that the cautious steps taken in the Constitution may somehow result in a decade or two in a substantial growth in the numbers of French Canadians outside Quebec.

What about the English speaking community of Quebec? It has been privileged; I say that without hesitation. Where Ontario and Manitoba skirted the will of the Fathers of Confederation Quebec honoured it to the letter of the law, and more. We have our own school system because of Section 93 of the Constitution. French-speaking Canadians in Ontario will not have that ever after the constitutional changes. We have our hospitals, our schools, our universities and our infrastructure but, as the Minister of State (Mr. Joyal) said today, enrolment in the English-speaking school system is down by 33 per cent in five years. It is down because English has been prescribed by Dr. Laurin in a neat little box: no addition to its natural source of numbers; the lower birth rate; thousands of people have moved out of Quebec for economic reasons; a close, tight definition of what is an English-speaking Canadian; and the fact that English-speaking people from outside Canada cannot enter the English school system in Quebec at the moment, something we are rectifying with the Canada clause. All these things have limited any injection into that little group of people, which slowly but surely is diminishing in number. Unfortunately, Section 58 postpones rectifying this for another indefinite period, until some more enlightened provincial government comes along and opts into the mother tongue feature. It is too bad we did not have the generosity of spirit to do it now. I say that sincerely. I have to say it; it bothers me, and it hurts me.

I could understand it if the numbers were the other way. I could understand it if the English-speaking Quebecer represented a threat to the language and culture of French Quebec. The real threat comes from the field of communications, as the Minister of Communications (Mr. Fox) said at the weekend. It comes from Archie Bunker on the boob tube. It does not come from the presence of a few hundred thousand kids in school. That is the line the Parti Québécois has developed and fostered through the decade in order to garnish all the mavericks, nationalists and misfits possible to join forces with those who legitimately think independence is best.

I say to my former citizen friends in Quebec that they have to recognize that the charter is not quite what they had hoped it would be, but it goes a long way toward perfection. We retain our confessional schools. The charter contains at least a clause which says that if you were educated in English in any of the other provinces and you are coming to Quebec, your children would be able to go to an English school. It contains a clause of which in a few years, happily, another government will see fit to take advantage, namely, restoration of freedom of choice for Canadian citizens. This is in addition to all the other benefits in the charter which flow to Canadians, whatever their language and whatever their persuasion.

I say, however, to hon. members opposite, as a friend and as one who feels this deeply, that if they bring in an amendment tomorrow and play petty politics with one million English-speaking Quebecers—an amendment, for instance, which says we will wipe out Section 23 entirely in order to appease the Quebec government because we must bring the Quebec government in somehow—the English community will not forget the Tories or the New Democratic Party, and I will see to that, because that would be rank discrimination. That would be denying the English-speaking people of Quebec not only freedom of choice but also the Canada clause to which Mr. Lévesque agreed some years ago in St. Andrews.

I have sat here and listened. I have read the letter from the Leader of the Opposition (Mr. Clark) to Mr. Lévesque. I heard little bits of a speech last night in Montreal. I hear that a nice little amendment will be coming tomorrow. I hope it is not an amendment which suggests for a moment that Section 23 be postponed until some future time, in the vain hope that somehow the Parti Québécois can be seduced into supporting the Conservative Party in the next election. Not only will they lose the Parti Québécois, which they never had, but they will lose the English-speaking community which under normal circumstances supports that party in surprising numbers.

● (2040)

Mr. Blenkarn: Tell me when.

Mr. Mackasey: When? Mr. Diefenbaker always picked up eight or ten seats. He had the support of the normal English-speaking Quebecer who traditionally supports the Tories, as he should have under our system. Periodically that English-speaking Quebecer supported the Liberals and this Prime Minister because they felt that somebody in this House was speaking out for their rights. Until the hon. member mentioned English-speaking Quebecers tonight, and the member who spoke before supper did so too, nobody in the House got up to say one word on their behalf. It was as if they did not exist. However, there are one million such people in Quebec, more than the population of Saskatchewan or Manitoba—I may have forgotten my figures—who are Canadians. They look to this Parliament as federalists for their rights. They look to the charter. They look to the hon. member for Saint-Henri-Westmount (Mr. Johnston) or to the Prime Minister or to the Quebec caucus to protect their rights.

I do not speak in anger. I speak gently and softly. However, I was appalled when I heard the Leader of the New Democratic Party refer to new Canadians the other day as immigrants and again over a radio or television show on Sunday. It is almost as though there has to be a pawn in the chess game between the federal government and the separatists. Somehow

that pawn in the chess game is one million English-speaking Quebecers. I hope that is not the case.

I will probably support this resolution reluctantly, not nearly as freely as I would have if Section 58 had not found its way into the resolution two weeks ago. I accept the explanation of the President of the Treasury Board made in the House a week ago Monday. I accept the Prime Minister's reminders periodically that perfection can be the enemy of the good. I just hope that, in their anxiety to appease the PQ government, the party opposite does not break faith with one million English-speaking Canadians.

Some hon. Members: Hear, hear!

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I wish to say a few words tonight about the very historic resolution before the House. On the afternoon of November 3 when that very historic accord was anounced, two feelings hit me all of a sudden. One was that I thought the Canadian people, on one hand, probably heaved a sigh of relief that the accord had been reached, but, on the other hand, there was not any celebration. In addition to the free-standing sexual equality clause not being there, the aboriginal people of this country had been left out and the province of Quebec was not a signatory to the accord.

I had another feeling as well, that the Canadian people wanted an end to conflict within our country. They had the feeling that all of a sudden there had been a settlement with nine of the provinces. However, to really end the conflict in the country, something more had to be done. We had to settle with the aboriginal people of this land and the people of Quebec.

When I look at a Constitution, I feel that it should be a reflection of the reality in a country. In other words, it should be a mirror of the country. When we look at Canada, we see a country that is very complex and extremely diverse. It is not a federation like the others.

There are some federal states where most of the states are quite monolithic and it is relatively simple to devise a system. There is good regional balance. In our country we have competing realities. What is real in one area may not be in another. We have many communities which are very different. There is a lot of regionalism in this country, as well as the factor of duality. Somehow in a Canadian Constitution all of these differences which make us so unique, and I maintain make us so rich, have to be recognized and reflected.

I will deal first with regionalism. The provinces all differ one from the other. Saskatchewan differs from Alberta as Newfoundland differs from Prince Edward Island. We also have differences within the provinces. We have different regions. I think of the Peace River country in Alberta which extends into British Columbia, Cape Breton which is different from mainland Nova Scotia, and the Italian community in the city of Toronto and the Chinese community in the city of Vancouver, which are also unique. I think of all these differences in terms of regionalism and ethnic origin in this country which makes Canada so rich. All of these say very clearly, as the leader of our party said this afternoon, that the nine English-speaking provinces are not monolithic. They are different.

In the accord reached on November 5 those differences are reflected in terms of flexibility within the Accord. The differences are reflected in terms of the amending formula which treats every province as constitutionally equal. It has in there as a safety-valve an opting-out provision in case provinces should decide to give some of their powers to the central government.

We have reflected in the accord the enshrinement of a multiculturalism reality which is important to many Canadians. We have enshrined in the resolution rights for many Canadians, men, women, the handicapped, the aged, and no discrimination on the basis of colour, ethnic origin and so on. We have greater powers being transferred to the provinces in terms of resources, which is important to a province like mine and to many other provinces.

We have equalization being enshrined in the resolution before us. That is important to many provinces, particularly to Quebec, the Atlantic provinces and Manitoba. These are many things that are positive. It is a very good beginning, a very big step forward in the search to find ourselves in this country.

In a way, the nine English-speaking provinces have found themselves. We have come to terms with ourselves. It took a long time to do that, but we have an accord now that goes a long way in that direction.

As I said before, this country is more than just communities and provinces, more than just the sum of all those parts put together. We are more than just regionalism or east and west and central Canada. We have the unique factor of duality in Canada. In fact, we have a double duality. We have the duality of the provinces and of the aboriginal people of this country who are at the base of our Confederation, the original people of this country who cannot be forgotten. We need a special accord, entente or arrangement, whichever word you want to use, with the aboriginal people of this country. We are off to a pretty fair start with Section 24. It goes the right way, but it is only a start. Our party realizes this. This is why we are moving a motion to involve the aboriginal people in the amending formula in terms of their consenting to constitutional change affecting them. We realize that to give them the same rights in terms of their needs as other Canadians have we must reach a settlement or negotiation that is slightly different with them than we have with the provinces per se.

[*Translation*]

Mr. Speaker, we also have another very important duality in this country of ours, Canada, the French Canadians of Quebec, a very distinct Quebec society that is very different from that of other provinces. For instance, two languages are spoken in Quebec, French and English. The history of Quebec is also very different as are the facts of life. There is a different civil code, a different religion in the province of Quebec. Right across the country, administrative and constitutional arrangements differ from those found in Quebec. The proposal made by the leader of my party, the hon. member for Oshawa (Mr.

Broadbent) is not only an extension of that dual reality in Canada but, as I see it, an extension that is necessary in our country. I want to congratulate our leader as well as the leader of the Progressive Conservative Party (Mr. Clark), who tried through other means to find a solution for the people of Quebec.

Duality is necessary. Some things in the resolution are most important to Quebec. I have already mentioned many of those that are important to all the other provinces of Canada, and the Prime Minister (Mr. Trudeau) has already agreed in the resolution, in Section 40, I believe, to compensation with regard to education and cultural matters. I want to congratulate the Prime Minister on accepting to do so for the province of Québec. It is very important for the people of Quebec, but we have another idea and another proposal to put forward. To my mind, Mr. Speaker, duality is necessary. Let us keep in mind that there are only six million Quebecers in Canada, six million Quebecers in North America. It is of the utmost importance for the future of our country that the Constitution contain a provision ensuring the security of francophones.

• (2050)

[*English*]

I think, Mr. Speaker, as a Canadian who comes from an English-speaking province, that we should look very seriously at the specifics of the motion moved by the Leader of the NDP. First of all, it deals with the issue of national unity. It says that "We as Canadians in the west or in Ontario or in Atlantic Canada very much want Quebec as part of our country".

An hon. Member: Right on.

Some hon. Members: Hear, hear!

[*Translation*]

Mr. Nystrom: It is imperative that Canada include Quebec.

[*English*]

I think we have to do whatever we can to make the people of Quebec feel a part of this country and of this Constitution. People also want an end to conflict in this country. They realize that the conflict will continue until we reach a settlement with Quebec and with the aboriginal people of our land. We also realize that the Premier of Quebec said last April that he was willing to trade his veto, if indeed there was a veto, for an opting-out formula that would not penalize Quebec on existing powers only; not on additional powers but on existing powers only.

I want to take a look at whether or not we should accept the kind of deal that was offered by the Premier of Quebec. First of all, I want to argue that we very seldom use it. If I remember correctly, over the last 114 years of our history there have been only about two occasions when the provinces agreed to give some of their powers to Ottawa. By the way, the opting-out provision applies only if a constitutional amendment derogates or takes away from existing powers. That is all it is. We have had only two examples of that in the history of our country. One was for unemployment insurance; one was for pension legislation.

In the case of pensions, Quebec wanted to opt out. The government of Lester Pearson said that it will set up an administrative arrangement, "You can have the Quebec pension plan and we will have the Canada Pension Plan". As a result, we have a national pension plan, and Quebec did not have veto power to stop the pension plan for all. My point is that it will happen very seldom, Mr. Speaker. It will not happen every ten or fifteen years but very seldom indeed.

The second point that I should like to make is that for it to happen at all, seven provinces have to agree to transfer some of their power or jurisdiction to Ottawa. If that happens—and Ottawa, of course, as to agree as well—then it must be for a pretty good cause, or a pretty just cause, and for a pretty important cause in terms of this country.

The other point I want to make is that not all opting out that would occur will involve compensation. There may be some opting out that will just involve some inexpensive arrangements in terms of transfer of jurisdiction from one area to the other. There may be some opting out where indeed the provinces by opting out would continue to keep a lot more money than by transferring their power to Ottawa. For example, if a province wanted to transfer its resources to Ottawa, it would lose a lot of revenue. By keeping the resources, it would keep the revenue but it would receive no compensation. It would not lose anything. There would be nothing to compensate it for. I make the point that it would happen very seldom indeed, Mr. Speaker.

The second area I want to look at is the cost of the compensation amendment of the Leader of the NDP. If you look at it, no cost to the taxpayer of this country is involved. If indeed Quebec opted out of some amendment that took away from its existing powers, it would not cost the other taxpayers of this country. Other provinces would not have to pay anything to the Province of Quebec. There would not be any special tax whatsoever. On one hand, it would not cost us a penny. On the other hand, the citizens of the province of Quebec would not be double taxed because now under the amending formula Quebec could opt out. However, it could involve a lot of money. Quebecers would still pay into the national treasury for national programs and pay an extra tax into their own treasury in their own province for their own programs. I maintain if that ever happened, Mr. Speaker, any federal government would probably make an administrative arrangement anyway. I maintain that from the point of view of cost it is a very sensible idea indeed.

I want to look at the question of veto that I previously mentioned. The Premier of Quebec has offered to trade away his veto. I think for the other provinces in this country this is probably a very good idea. I shall remind the House that Quebec government have traditionally wanted a veto.

The Prime Minister until three weeks ago wanted Ontario and Quebec to have the right of veto. I have had mixed feelings about that. I thought that because Quebec is different it needed an assurance that its existing powers would not be

eroded. It needed an assurance that the French language would be protected. On the other hand, I am not sure it needed a veto to stop changes in freight rates, transportation systems, municipal affairs and things that really had nothing to do with what it needed as a collectivity to survive.

It is a point that was made on CTV's "Question Period" by the Premier of Quebec yesterday when he said that Quebec has been rightly criticized over the years for wanting to veto or block any constitutional change. If it did have a veto, it could block national programs, for example, that are needed by this country. There could also be a roadblock in terms of blocking something that was not needed for Quebec but that was vital for other provinces in our confederation. In effect, it could hold up other provincces in terms of stopping the evolution of constitutional change in this country. For the other provinces to find this kind of a compromise is a good thing, and it is good that we can still have constitutional change. But if that change were to hurt the people of Quebec and derogate from the powers it now has, the status quo it now has, not something extra in the future, then the people of Quebec, through the National Assembly, could opt out without being penalized.

That is all we are asking for, Mr. Speaker. We are asking for the protection of the powers and the competence of the Province of Quebec that exists right now in the Constitution of Canada. We are not asking for anything more.

● (2100)

I should like to say one word about the Conservative amendment, Mr. Speaker. My leader has offered some of our concerns about it, and what it may mean to national programs in this country. I want to add that when the accord was signed by the nine premiers of the other provinces, all nine said that they wanted to agree to the amending formula that we have and, that they wanted the opting that we have but that they did not really require the compensation clause to remain. On the other hand, Quebec said that it required the compensation clause.

I understand the premiers have said to the Prime Minister, "You have a tremendous amount of flexibility and leeway to try and settle with the province of Quebec." All this party is saying is that if by offering that clause, that will settle with the province of Quebec, then it is worthwhile for the unity of the country and it is worthwhile if it will end the conflict in the country that is sickening people and making them disgusted with all the fighting and turmoil that is present today.

I want to urge the Prime Minister of Canada and the ministers in charge to take a serious look at the amendment we propose. If they cannot agree to it this time, then, as I suggested this afternoon, perhaps it could be inserted in the resolution, in Section 38(1) of the amending formula which concerns the Senate and the House of Commons of Canada. If we could put this in the resolution we could deal with it here and then the Senate could deal with it. The national institutions would have dealt with it saying that they want a compensation amendment, then later in the process the provinces would have to respond. If they should respond, then I think we will have gone a long way toward meeting the concerns of the province of Quebec.

I just want to reflect on one or two other things about the whole process that all of us have gone through. In many ways, the process was typically Canadian. We have stumbled to a conclusion, or a quasi-conclusion. The process will not be complete, of course, until we deal with the Quebec issue and the issue of the aboriginal people, but we have come a long way.

If we learned anything from the process, it is that we should have involved more people from the beginning. We should have involved not just members of the government and the opposition parties in the House and in committee but we should also have involved members of the legislatures of the provinces. I remember speaking on this subject in October and suggesting to the government that we should have involved members of the government and members of the opposition of the ten provinces, that we should have involved the aboriginal peoples of this country, that we should have involved the Yukon and Northwest Territories and, finally, that we should not leave the Constitution primarily to 11 men to settle behind closed doors but we should have involved the women and women's organizations of Canada.

Had we done this, we would have had a lot less agony, less divisiveness, less pain and conflict over the matter. I do not believe that a Constitution hammered out by 11 delegations getting together, making deal after deal, getting into all kinds of options where certain rights are traded for other rights, certain powers traded for other powers, is the correct process, but we were all part of that process, Mr. Speaker.

When we get to stage two of Constitution building in this country, I hope that we will involve more people, that will consult more people, that we will get the aboriginal people involved in a meaningful way to discuss what their rights should be, that we will make sure we know what the people of Quebec want to do and what kind of measures they want in the Constitution of Canada and that finally, once and for all, we will make Canada a truly federal country in terms of our national institutions.

A Charter of Rights and Freedoms is enshrined in the Constitution but the final arbitrator will be the legislatures and Parliament on the one hand or the Supreme Court of Canada on the other hand. But the Supreme Court is appointed by the Prime Minister of this country and judges are appointed by the federal government without any input whatsoever from the provinces. Yet, the Supreme court is the referee in federal-provincial conflicts.

In federations such as the United States, Switzerland and others, in cases where national institutions affect the jurisdiction of the provinces and the federal government, both the provinces and the federal government must have a say. Until we have that reflection of the regions in the centre, we are going to have strains in this confederation, we are going to have things that pull us apart instead of bringing us together. We are going to have greater and greater institutionalizing of something which I do not like. which is a federal-provincial

conference and all the power that it has gathered to itself. The premiers' conferences and the cabinet ministers' conferences are accruing greater and greater power because of a vacuum in our system. There are no places in our country where the regions can be reflected equally, where the voice of the region can be reflected and heard and felt in terms of power.

Because of the lack of this possibility, the provincial Premiers and cabinet ministers become the spokespersons for regionalism in Canada. I do not blame them any more than I blame members of the House. I blame the lack of a truly federal system that reflects, on the one hand, "rep by pop" but not on the hand, "rep by region or rep by province". I think we need both if this country is to stay together.

My final comments are about this institution itself, Mr. Speaker. I think we need a really serious reform in Parliament. I think we have to make the member of Parliament a legislator with some real power and real clout over what is happening in the country. All too often parliamentarians are nothing more than a rubber stamp for the executive or cabinet in Canada. I think that is dead wrong. I think we should be strengthening the power of committees and giving Members of Parliament a lot more power and a say.

I will just use one example of this, Mr. Speaker. In the United States the President can only nominate Supreme Court justices but the Senate, which reflects the states, has to approve those nominations in the judiciary committee.

An hon. Member: Do you want our Senate to pick them?

Mr. Nystrom: We cannot have our Senate pick them because our Senate is appointed solely by the federal government. It does not reflect the regions, federalism or the political reality that is out there in the country. These things have to change, Mr. Speaker.

Another thing is that the Prime Minister appoints all ambassadors. Perhaps we should look forward to a time when the Prime Minister would nominate ambassadors, and the External Affairs Committee of the House of Commons, representing the people of the country, could either accept or reject the nominations.

Many of our central institutions, such as the Prime Minister's office and the Privy Council office, have too much power. That is an immense distortion of the democratic system and it is repugnant to the idea of democracy. I am not reflecting on any individual here. We as Canadians have allowed this practice to develop over the years. I think the time has come to democratize this place. The time has come to give members of Parliament real power as legislators, not just rubber stamps for an executive. The time has come for us to make sure we federalize our institutions and, if we are to keep the Senate, to make sure it is federalized. Otherwise, let us abolish it. We have to federalize the Supreme Court of this country and many of the other federal institutions, and if we do that, I am sure that the country will remain strong and happy forever.

The Constitution

• (2110)

For a country to survive, its constitution must reflect the reality of the country. Our reality as a country is one of diversity, one of regionalism, one of provinces and one of duality with our aboriginal peoples and the people of the French language or the people of Quebec.

Some hon. Members: Hear, hear!

[*Translation*]

Mr. Gérald Laniel (Parliamentary Secretary to Minister of Industry, Trade and Commerce): Mr. Speaker, in this historical debate which marks a turning point in the development of Canada's political structure, I should like, of course, to congratulate the Prime Minister (Mr. Trudeau) on his perseverance and determination in dealing with the constitutional issue, and especially on his understanding and willingness to compromise as demonstrated during these past weeks. Earlier, I heard the previous speaker, my colleague the hon. member for Yorkton-Melville (Mr. Nystrom) making all kinds of suggestions at this late stage in the debate. If he had his way, the debate would have to start all over again. According to him, veto rights should be given to every single Canadian.

I believe, with the Prime Minister, that we must reach a decision, and the decision must be made this week. I am glad to see the parties in this House have at least agreed to finally end this first stage in the constitutional debate. I should also like to thank my colleague, the Minister of Justice (Mr. Chrétien), for the persistence and determination he has shown in dealing with this matter, which represents a major step in the process of constitutional reform. All the points raised by the previous speaker can probably be dealt with at a subsequent stage.

Mr. Speaker, personally, I am very proud to be present once more in this House at another exciting moment in Canadian history and to be associated with the present government when this House votes on the motion to Canadianize the British North America Act after 114 years, to provide for an amending formula we have been seeking throughout that period, and to incorporate a charter of rights and freedoms to protect all Canadians. Mr. Speaker, in the publicity campaign that has been going on for months in Quebec, we have been told that our constitutional resolution was aimed at divesting Quebecers of their rights. Scare tactics were used in a series of melodramatic commercials. Well, I must say that if the Charter of Rights and the amendments being considered in this resolution do anything, they take away rights from all governments and redistribute those rights among all Canadians so that they will be better protected. In fact, both levels of government have relinquished some rights for the benefit of the individual, Mr. Speaker.

This is not the first time since I came to this House that I have been here at an historical moment such as this. I was here, Mr. Speaker, during the flag debate. I was also outside this

building when the Maple Leaf was finally raised for the first time on the Peace Tower. I was in this House when members agreed unanimously that the Canadian flag had its place on your right, Mr. Speaker. I was also in this House when we adopted the music and then the lyrics of O Canada as our national anthem, and we spontaneously sang O Canada in this House, with fervour and emotion. Therefore, it is with even greater pride that today I am taking part in this historical debate on the constitutional resolution, which, I realize, is not perfect. The hon. member for Yorkton-Melville, in fact, all hon. members may find there are shortcomings and that some improvements and changes are desirable, but the fact remains that this resolution is the closest we can get to a Canadian consensus, and the closest to what our fellow citizens want to see at this time in their constitution, over which they will have full jurisdiction once the British Parliament has agreed to this last constitutional representation by the Parliament of Canada.

Of course, everyone here regrets that the Government of Quebec did not choose to continue its involvement in the patriation process, a process aimed at strengthening Canada's political structure and nothing else, and we had hoped, on all sides of the House I am sure, to receive before the end of the debate any suggestions or alternatives or compromises that would be acceptable to all concerned. In fact, the resolution does include certain provisions that would be favourable to a compromise solution. We left room for compromise but Quebec has refused to change its position.

Mr. Speaker, for the moment I do not intend to analyse the motives of the Quebec government, the Levesque government, to isolate Quebec, even though I know what they are. And I emphasize that it is the Levesque government and not the Quebec people which has isolated the province since the last first minister's conference while we have seen what I consider exceptional efforts on the part of the nine other premiers as well as the Right Hon. Prime Minister of Canada to seek—and find—grounds of agreement and compromise solutions.

Mr. Speaker, in view of the national consensus which is becoming increasingly evident among the public, I believe, as I said earlier, that we cannot wait forever and that it would be irresponsible for us to wish to start the entire negotiation process all over again, especially in view of some of the provisions contained in the resolution, including that under which the Quebec government can make a voluntary commitment concerning the linguistic clause, just as Ontario might eventually do with respect to Section 133 of the British North America Act by institutionalizing bilingualism in the Legislative Assembly of Ontario as well as in the courts of that province, as most francophones in Canada, and not only those outside Quebec, would like.

Mr. Speaker, the feelings of an individual are often identified with his character or with conditions which have influenced his life. It is in this context that I would like to express what I feel today. During the Second World War, forty years ago, Mr. Speaker, I joined the Canadian air force at a time when it was not easy for a unilingual francophone to get along in a unilingual anglophone air force—and the Minister of National Defence (Mr. Lamontagne) can confirm this—and at a time when everyone will agree that our two major ethnic groups did not understand each other as well as they do today.

• (2120)

[*English*]

I want to say a few words in English at this time and to repeat that it was not easy, neither at a few thousand feet in the air nor on the ground, for a unilingual, French-speaking member of the Royal Canadian Air Force to manage under the system. There were many others like me who came and joined the forces and got to like this country. I do not want to rehash the various situations in which we found ourselves in those days.

However, just as a hint to those who were not there, to those who sometimes question some of our representations, let me give them an example. I was one of a group of about 25 francophones from Quebec who were stationed in Souris, Manitoba, and who had to go on strike to win the right to speak French in our airmen's canteen. Do hon. members know the solution that was found to that problem? We were moved to Toronto to learn English. However, all that did not impress me. I rose to the challenge. I obtained my pilot's wings with the rank of pilot officer out of a graduation course of approximately 25 men of the RAF, 25 men of the RNZAF from New Zealand, 25 men of the Royal Canadian Air Force, men from outside Quebec, and one unilingual francophone. I succeeded not only in gaining my wings in the air force, but I also got to like my country. I became more proud to be a Canadian, which I am trying to communicate, and which I have been trying to communicate to my children and my friends ever since.

[*Translation*]

Mr. Speaker, during these difficult war years when the dialogue was not what it is today, I discovered that my heart was bigger than myself, my family, my city or my province, and that it was as big as this vast country of Canada with all its differences and various elements. Throughout the years, Mr. Speaker, I have found that my feelings for this country have become even stronger, and this is probably why I finally chose to spend 20 years of my life in politics, in this House, where I have continued, with the confidence of my constituents, to defend the principles to which I had committed myself, the main one being my country.

Mr. Speaker, since I was elected to this House, I have always promoted that kind of Canadian nationalism, while remaining committed to my province and my area, of course. I have always been outgoing, and my colleagues will vouch for it, unlike some of my fellow Quebecers who feel isolated,

suspicious and envious, and who advocate the break-up of this Canada of ours. Once, Mr. Speaker, as can be confirmed by my colleagues here, including the hon. member from Nova Scotia, I proposed that compulsory training be provided for young Canadians so that they get to know each other better, learn both official languages, acquire some sense of discipline and visit their country. I felt this would help them get together, fraternize and understand one another. For a number of years I have also been very active in French-speaking parliamentary associations, both in Canada and abroad, and one of the differences between myself and my colleagues from the Quebec National Assembly is the thrust of my action in respect of language and culture.

I recognize the evident responsibility the Quebec government and the National Assembly have for the French language in Quebec, but I have always maintained that my own duty, as a Member of Parliament, was not to isolate Quebec but rather to foster, its development through the promotion of the French language and culture throughout Canada, and even North America. I consider myself as one of the many French Canadians from Quebec who share a special concern for French-speaking Canadians in the nine other provinces, and my goal, my ultimate desire is that one day, this country may be still better identified with its cultural duality. I understand that some French-speaking Canadians outside Quebec may be impatient. So were we at one time. I ask them to trust us, to let us go through this first stage, and we will certainly continue to support them.

Mr. Speaker, those who would now turn Quebec into a cultural ghetto are blind and self-centered. They are going against the best interests of Quebecers themselves, they ignore the progress made in the last few years, thanks—as the hon. member for Verdun said earlier—to Diefenbaker, Pearson, the Prime Minister, and thanks to Réal Caouette when he was elected to this House in 1962, sitting in the corner of the New Democratic Party. He sat there every day and fought for the rights of all Canadians, with a heart that was open to everyone. True, there have been many disappointments. We would have expected more from the Official Languages Act. Nonetheless, the French cultural presence in Canada is asserting itself. It is now going beyond the use of language, it is reaching the hearts, and the children of many of our fellow citizens are more interested in it.

Two years ago in September, while I was in British Columbia, I learned that the first French classes for francophone students were being set up grouping ten students at the same level. Do you know, Mr. Speaker, what is the problem of the Minister of Education in British Columbia? He gets too many applications from anglophone parents who want their children to learn French. This means that mental attitudes are changing. We are told that the same thing is happening in cities such as Toronto or elsewhere, which is amazing since French schools are not available to anglophones unless they are willing to pay. But at present, in Quebec, Bill 101 prevents an anglophone educated in English to send his children to a French school if he wants to. What inconsistency, Mr. Speaker!

Mr. Speaker, it is with an open mind and wishing that the people of Quebec participate fully in the constitutional reform that I speak on behalf of Quebecers as do all the other members in the Quebec National Assembly, especially since many members of this House do not know Quebec as I do. As a member for Beauharnois-Salaberry, I support on behalf of my constituents the resolution now before the House with all its implications, deficient as it may be, because I consider that it is in the interests of Quebecers and all Canadians.

Mr. Speaker, everybody wants our Constitution to be patriated. The amending formula is practically the one passed by the group of eight that included Quebec, with a slight amendment allowing that province to opt out with financial compensation for cultural and educational programs. As for the Charter of Rights and Freedoms, its broader aims are hardly questionable, and the two main objections of the Quebec government concern education and manpower mobility. As for me, Mr. Speaker, I do not agree with the uncompromising attitude of the Lévesque government on those two points. A very large number of my constituents agree with me, and I am now speaking on their behalf. I believe that every Canadian is entitled to receive his education in his mother tongue, whether it be English or French.

I am also in favour of the right for all Canadians to seek employment in any of our provinces. Of course, adjustments should be made, as was the case for Newfoundland, to protect a province which is faced with excessive unemployment. Nobody is against that. On both counts, the Lévesque government was invited to suggest amendments to ease its fears and protect its jurisdiction. All we got in return were insults, propaganda, provocation and legal action before the Supreme Court. Well, Mr. Speaker, we are not going to waste any more time!

Personally, I feel that the linguistic clause of the resolution which is commonly referred to as the Canada Clause is the minimum acceptable. I cannot help but rejoice when I realize that finally the Canadian Constitution, and not legislation of this Parliament or provincial legislature which could be changed to please such and such a premier, will recognize and enshrine as a principle the right of all francophones living in the nine other provinces to attend French schools, and the right of all anglophones living in Quebec to attend English schools. I think this is the seed from which Canada will develop within the next two generations—I do not mean tomorrow, Mr. Speaker—into the bilingual country our forefathers had dreamed about, and to which the Charter of Rights and Fredoms will add our clear determination to foster a better understanding, dialogue and brotherhood. Because of the urgency of the matter, the decision cannot wait. We must

stop procrastinating. The time for aggravation and dissension in this country is over. Now is the time for action. We have an objective to reach, we will reach it this week, and I intend to be here to support the resolution before us.

[*English*]

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, when I spoke on this matter last February we were in the heat of debate. It was still apparent that the Prime Minister (Mr. Trudeau) was going to try to force the Constitution unilaterally upon the country with only the support of two provinces, certainly not with the support of the people of Canada.

● (2130)

So it was as a result of debate and as a result of the pressures brought on Parliament by this party that eventually the whole matter was sent to the Supreme Court of Canada. The Supreme Court looked at this constitutional proposal over the summer. It did not come out with a quick decision, as was predicted. It looked at the proposal over the summer and finally said: "You really have to have a massive consensus of the provinces in order to make what you are doing here constitutional." This resulted in a federal-provincial conference, finishing in early November, and now we have the accord before us.

I say to you that the broad consensus of the nine provinces now is an important consensus. For any Member of Parliament, having debated and opposed what was happening on the basis that it was not constitutional and not proper, to now oppose it is to oppose the will of the people of Canada. I say that with respect to my good colleagues here on this side of the House who on Wednesday might well decide to stand up and oppose this constitutional package that it is no longer a unilateral package and not what was proposed in October of 1980.

What was proposed in October of 1980 and what is now before this House are two entirely different proposals. What was proposed in 1980 was something the Prime Minister, in spite of everybody, decided to force down the throats of Canadians. What is before us today is the result of months of hearings before a constitutional committee, a committee which, as members will remember, the Prime Minister did not want televised and did not want to have the powers to have witnesses brought before it. It was a constitutional committee that heard the concerns of native Canadians, the handicapped and those people who were worried about discrimination on the grounds of sex.

The package before us today is an entirely different package because it has a consensus of nine of the ten provinces. I say it is only because of the efforts of this party, only because of the indefatigable efforts of the hon. member for Yellowhead (Mr. Clark) that this has been possible. This nation owes a great deal to the efforts of the Leader of the Official Opposition who deliberately, quietly and, with the assistance of the hon. member for Provencher (Mr. Epp), was able to impress upon the premiers of this country and the people of Canada, with the help of the Supreme Court and the leaders of the provinces, that they had to get together and form a consensus.

There is one problem left, and that is that the province of Quebec, long the fortress of the francophone majority of Canada, the only province where French is the language of the majority, is unhappy and has refused through its premier to go along with this consensus. That is going to cause us a great deal of difficulty.

Part of the difficulty it is going to cause is the result of the attitude of the Minister of Justice (Mr. Chrétien). The other day Mr. Lévesque suggested his province had a veto. Maybe it does and maybe it does not, but it does not do any good for Canada for the Minister of Justice, who is supposed to be negotiating on behalf of Canada, to laugh at the Premier of Quebec.

A great deal of the problems we have with the Province of Quebec in bringing this country together are a result of the internal workings of the Liberal party in the province of Quebec, represented by Liberal members in this House—74 of them—in opposition to the majority party in the National Assembly in Quebec City. It is about time that Liberal members in the House of Commons tried to bring about a consensus in the province of Quebec in order to bring Quebec into this accord. It is about time they did something to bring the country together, rather than bringing their fights, their political concerns and their squabbles in the province of Quebec on to the national scene and, in the process, destroying our confederation.

We have proposed in the amendment to Section 40 of this measure the suggestion that there should be an opportunity for complete opting out by any province with respect to a matter that involves finance, and that a province which so opted out would be compensated when opting out on a particular power to the same extent as the average cost of the program across the country.

Miss Jewett: Why not just Quebec?

Mr. Blenkarn: My friend from Vancouver asks, "Why not just Quebec?" The answer is that this is one country and what applies to one province must apply to all provinces.

Miss Jewett: Nonsense.

Mr. Blenkarn: What applies to one province must apply to all provinces, and she says "nonsense". She says that because she would like to wind up having the two-nation theory in this country, but that is not the policy of this party. This is one nation and we do not have to be divided. Clearly what is applicable to the province of Quebec should be applicable to all provinces, otherwise it will not sell.

An hon. Member: What about Section 133?

Mr. Blenkarn: There is no particular problem with respect to opting out.

Mr. Nystrom: I rise on a point of order.

The Acting Speaker (Mr. Blaker): Order, please.

Mr. Blenkarn: We have had opting out in this country for a long time.

The Acting Speaker (Mr. Blaker): Order, please. I recognize the hon. member for Yorkton-Melville (Mr. Nystrom) on a point of order.

Mr. Nystrom: I wonder if the hon. member would answer a question.

Mr. Blenkarn: Certainly.

Mr. Nystrom: The hon. member for Mississauga South (Mr. Blenkarn) said something very interesting. He said that what applies in Quebec should apply in the rest of the country. Quebec is bound by Section 133 of the British North America Act which obligates it to provide services in French and in English in its legislature and courts. I wonder whether the hon. member for Mississauga South thinks Ontario should be bound by Section 133 and, if so, will he publicly call for his premier to bind Ontario so Quebec and Ontario are treated the same?

Mr. Blenkarn: The hon. member for Yorkton-Melville (Mr. Nystrom) raises a question in relation to a problem that has been in existence in this country for some time. Let me suggest to the hon. member that he raises it to divide the country, because that is the proposal of the NDP. It is a divisive party if ever there was a divisive party. Its members want to break up this country. They want to put French on one side and English on the other side and cause a war.

Some hon. Members: Oh, oh!

Mr. Blenkarn: That is their attitude. I recognize the legal requirement for both French and English, and that after the resolution is passed, this provision will apply only to New Brunswick, Quebec and Manitoba. Perhaps it should apply to every province in the country.

Miss Jewett: You just said they should all be treated alike.

Mr. Blenkarn: They would propose amendments to make the situation even worse.

Miss Jewett: You just said they should all be alike.

Mr. Blenkarn: The laughing lady would say "they are all alike, they are all alike". Yes, they are all alike, but they would try to make this country more divided.

Some hon. Members: Oh, oh!

Mr. Blenkarn: Certainly she is that way; she wants to make problems.

Let us go further. They proposed an amendment that would provide that only Quebec should opt out. They proposed an amendment of that sort because they said that if we were really concerned about Quebec, we should provide such a clause only for the province of Quebec.

● (2140)

I say to you, Mr. Speaker, that it is important that the clause with respect to opting out be the same for all provinces. The present clause is the same for all provinces, and we suggest that it be widened. We suggest that if it were widened, there would be a very good possibility that the government of Quebec, or eventually the people of Quebec, would find no difficulty in joining the accord. As long as Section 40 is left the way it is, the government of Quebec will always have an excuse to stay out of the accord. If we do not change Section 40, we continue to exacerbate the problem.

This afternoon the minister of state said that he would be prepared to accept an opting-out clause that would allow all provinces equally to opt out of amendments and be compensated. If the NDP were really interested in making this constitutional package work, why would they not go along with that? If they were, they would support the member for Provencher and the Leader of the Official Opposition.

In my opinion, there is only one conceivable problem in this package and that is that there is no *quid pro quo*, if you like, for Quebec's loss of a veto. If there were clear compensation for opting out, there would be no way for any Quebec government to say it is not protected. In fact, no province which has agreed to the accord could object, because the effect of the amendment by the hon. member for Provencher is to extend provincial rights rather than to restrict them. Therefore, it is clear that no province which signed the accord would object to the broadening of Section 40. If the amendment by the member for Provencher were accepted, it would be virtually impossible for Quebec not to join in the accord, and the only objection would come from the federal government, a federal government which wants to carry on the war in the province of Quebec to the detriment of all Canada.

I say that the amendment by the hon. member for Provencher must be agreed to because all the provinces which signed the accord will accept it, and if those provinces accept it, Quebec will have no logical, or even illogical, reason to say to the people of Quebec that they have been hurt by the constitutional amendment. It will have no logical objection to the Constitution.

The only ones who might be hurt are those who insist that federal power should be expanded. Is that the view of the government? The minister of state has said that he has no objection to compensation on an opting-out basis. Surely we can pass that amendment and make it virtually impossible for the Premier of Quebec to give any valid reason not to go along with the accord.

I would like to deal now with the matters before us concerning the Charter of Rights and Freedoms. In my office in the House of Commons and in my constituency office I have a framed copy of John Diefenbaker's Bill of Rights. In a way, that Bill of Rights allows a government to change or alter rights if it specifically passes a statute to exempt a particular

item from the Bill of Rights. That Bill of Rights is looked upon proudly by my constituents and others who come to my office as an important charter of their rights, even though in that Bill of Rights Parliament reserved the right to restrict rights by specific amendment in a particular section of the statute. The charter before us now allows the same restriction on rights. It provides for a government to override some basic rights on a five-year basis. That means that the political process—not the judges—will determine where rights really stand. It is perhaps more restrictive than the Diefenbaker Bill of Rights in terms of the ability of Parliament or legislatures to alter, control or vary rights.

It has been suggested that the "notwithstanding Section 33" is not a good one. I suggest that while I am not as happy as I might be with "notwithstanding" sections, there is essentially no difference between that "notwithstanding" section and clauses in the Diefenbaker Bill of Rights. Therefore, when people say that they will not support this charter of rights because of Section 33, they should read the Diefenbaker Bill of Rights.

I am proud of the Diefenbaker Bill of Rights. It has flowing language which appeals to people. Perhaps one of the difficulties with the proposal which is before us is that the language could be better, perhaps more poetic.

However, this Charter of Rights and Freedoms is what John Diefenbaker would have liked to have seen entrenched in our Constitution. He tried to get approval for something like this, but found he could not. After more than a year, we may well be able to entrench basic rights in our Constitution, rights which are much like the rights in the Diefenbaker Bill of Rights.

I am concerned that there is not enough protection in the charter now before us for the rights of the family. It concerns me that on Friday the House defeated an amendment which would have made it clear that only Parliament could legislate with respect to the question of abortion. I believe we made a mistake in that respect.

I do not think that the charter as it is prevents Parliament from legislating on the matter of abortion, but there is a matter which should have been made clear. I would have been happier had the right to life of the unborn been protected in the charter. Perhaps it will be the subject of an amendment some time in the future.

I am troubled that the right to protection of property is not in the charter. I would like to have seen the protection of the right to property so it cannot be taken away without due process of law.

● (2150)

We still have our Bill of Rights in the province from which I come. That Bill of Rights is in place, and the right to own property is protected by the Bill of Rights of that province. If we had worked a little longer, perhaps we might have been able to entrench the right to own property in this Constitution. I very much appreciate the position of the Prime Minister when he says that we have worked long on this matter and that we should now approve the Constitution and patriate it from England with an amending formula, but with that amending formula and in the upcoming discussions perhaps we can entrench the right to hold property and not have it taken away without due process of law. I think that is possible.

I think it is possible to make other changes that hon. members from time to time have requested. There have been valid suggestions, but it is about time somewhere in the course of things that we moved with what we have done so far, finished what we have worked on and left other things which must be worked on to the next round of discussions, to the next round of negotiations and to the next round of debate, because if we debate and debate and debate, we will never accomplish anything.

When we pass statutes in this place, many of us have ideas which would improve them, but we pass them nevertheless, not because we think they are perfect but because they are steps in the direction in which we want to go. In the course of human work nothing is absolutely perfect, so while under Section 33 rights might be curtailed, while there are no property rights and while the rights of the unborn are not protected, this Charter of Rights and Freedoms is a pretty good effort. It may not be perfect. It is not perfect, but neither are we perfect. We should move ahead at this time so that we will have an opportunity to improve as we go. However, let us now move ahead because it is time to move ahead. We have had full discussion. We have had long committee hearings. We now have the agreement of nine of the ten provinces. That in itself is evidence of massive consensus. We have massive consensus on what we presently have, and while it might be that none of us are absolutely satisfied with what we have, we are all generally satisfied. it would be wrong for someone to vote against this matter because of dissatisfaction with one item or two items. Those who might think that to vote against this resolution is to vote against the Prime Minister—and if it were there just to do that, I would do it myself—are wrong. They are wrong because the package before us is no longer the emanation of the Prime Minister. He may have been the driving force behind putting this resolution before Parliament but, after all, the government always has the right to introduce legislation and bring it forward. However, what is before us today is entirely different from what the Prime Minister brought before us. On the question of amendment alone, hon. members on this side will remember a non-confidence motion we proposed, that the Constitution of Canada be patriated with the Vancouver amending formula. That is exactly what we have. We will now have patriation of the Constitution, the British North America Act, after 114 years with the Vancouver consensus as an amending formula.

Mr. McDermid: Think of all the time we would have saved if they had listened to us.

Mr. Blenkarn: My hon. friend says, "Think of all the time we would have saved if they had listened to us." They did listen to us.

Mr. McDermid: It took them a year.

Mr. Blenkarn: If we analyse the content of the package before us, we find that to a large extent the package was crafted by members of my party sitting in the constitutional committee, making suggestions in debate and, through their premiers, negotiating with the Prime Minister at federal provincial conferences. We have had a great input into what is here. Indeed, all members of the House had an input. This is not a package hammered through by an arrogant Prime Minister, although his insistence has been important to Canada because, without his insistence, we perhaps would not have come this far.

An hon. Member: Right on.

Mr. Blenkarn: It is important that we as a nation establish finally our total sovereignty. No matter how we look at it and no matter how we speak out, it has always been a problem for all of us when speaking to people from other countries and when being asked how we amend our Constitution. We have had to say that we pass a statute and send it off to Great Britain, and they rubber-stamp it. Maybe they do and maybe they do not, but what kind of sovereignty is it for a nation not to be able to amend its own Constitution on its own?

The resolution before us allows the amendment to the British North America Act to be renamed the Canada Act by us in Canada, with an amending formula calling for the consent and support of seven provinces and this House. That is an important step forward in the sovereignty of this nation. There are those who come from other lands who, although perhaps not born of British heritage, cannot say that they inherited rights, as I say I have. My rights go back to the time of the Magna Carta. There are people who come from lands where arrest in the middle of the night is not uncommon. There are people who come from lands where the right to stand up and speak one's mind is unknown. There are people who come from lands where exercising the right to get together in large groups is illegal and exercising the right to print what they want to print or to speak out and say what they want to say lands them in the gulag.

Such people ask, and have always asked, where it says we in Canada can do these things, and I have pointed to the Bill of Rights. But these rights were not entrenched. This charter entrenches those rights, and while some of us may say that we have these rights and do not need to have them in writing, at least we can say to our constituents, to ourselves and to our children that we have rights. We can say we have the right to move about this country freely. We can leave this country freely if we want to. We can say what we want. We can write what we want. We can think what we want. We can gather together where we want. Those rights must be expressed. They are expressed in this charter, and I will be proud when I can hang this charter on the wall in my constituency office and send it to my constituents, because it is about time we had these rights entrenched in law. They are imperfect, perhaps, but they are entrenched for all Canadians.

• (2200)

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

ADMINISTRATION OF JUSTICE—REVIEW OF MANDATORY SUPERVISION POLICY. (B) OPERATION OF SYSTEM

Hon. Elmer M. MacKay (Central Nova): Mr. Speaker, a few days ago I raised a question with the Solicitor General (Mr. Kaplan) concerning the practice or the method known as mandatory supervision which forms part of our so-called penal reform these days.

The Solicitor General recognized the problems inherent in this area. At that time he said he had asked for a departmental study to be conducted because he was dissatisfied with the concepts. He realized that shortly after assuming his portfolio. He said he received a study in July, circulated it through the criminal justice constituency and would wait until the end of October. Then he hoped to be able to go to cabinet and do something about this in a few months.

With all respect, I say to my colleague the Solicitor General, that is not good enough. We have seen a great deal of obfuscation and delay from this minister not only in this case but with respect to rights on behalf of the RCMP, a commitment he gave in 1980.

Coming back to this question of mandatory supervision, it has created a great deal of interest, particularly since the minister and I discussed it in the House. Sociologists, criminologists, jurists and people well acquainted with the problems have contacted me and, I am sure, members opposite.

The cases which I cited, one on the west coast and one on the east coast, are only two of many. There was a particularly violent and tragic murder of a little girl in Kingston not long ago. I wish to quote from a current edition of the Halifax *Chronicle-Herald*, one of Canada's great newspapers. It indicates under the headline banner "Two sentenced for crimes committed during supervision" as follows:

> The parade of persons committing offences while on mandatory supervision continues at the Halifax law courts.

This is a recent issue of the newspaper. It only underlines the difficulties that will be faced by an innocent public until such time as the Solicitor General and his colleagues come to grips with the necessity of doing something to change the existing practice. I recently received a letter from an eminent sociologist who indicated to me that his research on the assessment of dangerousness, and I quote from his letter:

> —over the past 12 years, suggests that the Solicitor General and his staff are quite wrong in assuming that dangerousness cannot be predicted. A detailed examination of the Odo case would, I am certain, provide ample evidence of his murderous propensities.

I am inclined to agree. Recently a distinguished B.C. jurist, Les Bewley, visited the east coast. He made a similar observation with respect to the Odo case and, speaking generally, poured scorn on the current methods used in the parole service.

I want to say as well that despite the answer given to my colleague the hon. member for Surrey-White Rock-North Delta (Mr. Friesen) by the Solicitor General a few days ago, I do not believe there is co-ordination between the penal and parole institutions and the prison authorities and police forces.

I believe people are being released into society whose conduct and attitudes are well known to the authorities who are holding them in custody. They do not take the time to inform the police that this type of person is being released so that there will be a proper evaluation and assessment of the fact that they are being released at large.

I am going to take the few moments remaining to me to read into the record excerpts from a couple of official documents which I know the Solicitor General must have access to since they are from his department. I do not mention the name of the convict at this time. Suffice it to say that this is a real insight into the kind of misguided treatment and perverted sort of ideals that are being practised by certain officials in his department.

This particular convict, and I am reading from the cumulative summary, is a hardened criminal. He has been in prison a great deal of his life. His version in the cumulative summary is as follows: "The inmate does not deny his involvement in criminal activities since his release. He prides himself in being a professional criminal who knows the correction systems well." It also says that he is demanding, directive and manipulative and has been continually dishonest.

You may wonder, Mr. Speaker, why I am making this point with respect to this convict. It is simply that this man was given, under the criminal injuries compensation act, a Saskatchewan statute, an award. Yes, this man was given an award. The reason was that his conduct was so reprehensible and repugnant to his peers when he was in prison that they beat him for what he was doing there. This particular institution is in Saskatchewan. The criminal appeal board, and I am quoting from page 2, "Examined the background of this incident and concluded that the applicant had done nothing to disentitle himself from an award. In fact, his conduct was above reproach and indicates an unusual degree of moral and physical courage." The House would be surprised if I were to name this man. "We are satisfied that he underwent a great deal of emotional turmoil, as well as physical pain, and we think he should be compensated liberally."

● (2205)

This criminal, who is at present facing very serious charges, was given $3,500 to compensate him for the pain and suffering that he underwent because his peers were so upset with his conduct that they took it upon themselves to administer a little justice.

Surely, Mr. Speaker and colleagues in the House, we have to give some credence to the apprehension and the outcries that come from the public when they see their children in some cases killed or mutilated by people who are out on mandatory supervision. I know the Solicitor General is aware of the problem. I hope the minister will speed up his timetable so that he may do something about it.

Some hon. Members: Hear, hear!

Mr. Jim Peterson (Parliamentary Secretary to Minister of Justice and Minister of State for Social Development): Mr. Speaker, I cannot help but remark, in responding to the question for the hon. member for Central Nova (Mr. MacKay), on the case arising in Saskatchewan which he just mentioned to the House. The hon. member regrets the fact that a person was offered an award under the law of the particular province. That person was an inmate who was, I suppose, judging from the hon. member's comment in the House tonight, beaten up by his fellow prisoners. The hon. member said that his fellow prisoners took it upon themselves to administer a little justice.

I do not believe, Mr. Speaker, that even if a person is a criminal, it is justice for any person to take the law into his own hands without due process of law. A person's character, a person's past behaviour may be entirely reprehensible. Surely the hon. member opposite is not advocating that anyone should be able to go out in this country and exercise justice as they see fit. We have laws of the land which are designed to prevent that.

One of the things to which the hon. member referred was the whole concept of mandatory supervision. As the hon. member is aware, this is a process which began in 1970. The reason for it was simple. Before we had two alternatives: a prisoner could be released from jail after he had served his sentence, with time off for good behaviour, put right out in the cold, right out from prison, maybe not being fully acquainted with the ways of the world; or he could be put out on parole with his sentence continuing.

A system of mandatory supervision, a half-way measure between these two was brought into existence, an attempt under which a person could be reoriented more gradually to the real world in an attempt to reduce recidivism, in an attempt to cut back on the number of times that that person would be committing a crime.

I am not saying, nor is the government saying, that this program has been a spectacular success. As a matter of fact, it has stimulated opposition, opposition from inmates, from police groups, from civil libertarians. According to our best estimates, and because this matter is now under study, about 25 per cent of the offenders who have been given this type of mandatory supervision are convicted of a new offence while under supervision, and about six per cent are convicted of crimes of violence.

● (2210)

We are not happy with this particular process. That is why the Solicitor General (Mr. Kaplan) has undertaken the study,

the results of which should be known soon, and he will be acting on it.

THE BUDGET—IMPACT OF CONSTRUCTION OF RENTAL HOUSING (B) REQUEST THAT PROVISIONS BY AMENDED (C) ANNOUNCEMENT OF STUDY RESULTS

Miss Pat Carney (Vancouver Centre): Mr. Speaker, on November 16, 1981, I directed a question to the Minister of State for finance (Mr. Bussières) concerning the impact of the budget on the construction of rental units. The Minister of Finance for Mr. MacEachen if you recall, was out to lunch. Specifically, I pointed out that my investigations had shown that since the introduction of the budget, construction had ended on thousands of rental units from St. John's, Newfoundland to Vancouver.

I therefore asked the minister whether the government had anticipated that these projects would be halted, with thousands thrown out of work and millions of dollars worth of construction lost, when it brought down the budget.

I might add, Mr. Speaker, that in the next 24 hours after asking that question, it became apparent from my continued investigation, that the impact of the budget was even more staggering than was first apparent. Just five days after the introduction of the budget, my office was able to identify 13,000 rental units on which construction was halted or suspended. A conservative estimate indicated that this figure represented at least a billion dollars' worth of construction and over 10,000 jobs. The direct cause of this industry shut-down was one particular measure in the budget. The government disallowed the deductibility of soft costs of MURBs, making most of these projects instantly uneconomic. What is worse, this measure was, in effect, retroactive since it came into force on budget night. It thus affected all projects already under construction or very close to being started.

Since the lead time on these projects is usually more than a year, it thus seriously undermined the economic viability of projects that had been planned in good faith many months ago.

The minister's response to my question on November 16 was extremely unsatisfactory in light of the gravity of the situation that we face. He replied only that the government's fight against inflation would alleviate the problems of the housing sector since lower interest rates would stimulate demand for construction and the economy would thus benefit. I referred to this as the enema theory of fighting inflation—flushing out the economy.

Fortunately, the ridiculousness of this reply was apparent even to the Minister of Finance since, when I repeated my question to him the next day, giving him the new figures, he replied at once that he was willing to amend the budget and grandfather this particular measure.

Soft costs will now continue to be deductible on projects which have been started before December 31, 1981, as long as work on them proceeds without delay.

While we welcomed that announcement, I must point out to the minister that he has not diagnosed the problems. With his measures he is treating symptoms rather than developing a cure.

In no way has the minister addressed himself to the housing crisis facing Canadians. He has done nothing to resolve the long-term housing issue. For instance, the grandfather clause applies to projects started this year only. What about next year when construction on rental units will come to a halt? The minister has lowered the marginal tax rate, thus freeing more funds for high income Canadians, but he has done nothing to divert these funds into the creation of housing units. Under the MURB program, 20,000 to 30,000 units would have been built next year.

The government program of offering interest-free loans to builders is totally inadequate. The $7,500 loan limit is certainly not large enough to make investment by developers very attractive. In Vancouver it was suggested that this amount might pay for the construction of a bathroom. The limit of the program, 15,000 units, will not even solve the problems of Vancouver. Further, the program will not take effect for several months because consultation with the provinces is required. The government offers no help to renters who pay more than 30 per cent of their income on shelter.

What is the long-term problem that must be addressed, Mr. Speaker? Canada Mortgage and Housing Corporation says that there is a shortfall in building nationwide, and that Canada needs 220,000 new housing units each year. Next year Canada Mortgage and Housing Corporation estimates that starts will only amount to 135,000. That means a vacancy rate of zero by 1983 in most markets, according to CMHC. It means that rents will increase 20 per cent to 50 per cent in some markets and perhaps 100 per cent in Vancouver. It also means that a black market in rental units may develop. Families will have to start doubling up. We will witness a substantial regression in housing conditions following 35 years of gradual improvement. The problem is that the production of rental units is uneconomic. CMHC says that the average metropolitan rent across the country is $400 a month. The average investor carrying cost on a newly constructed unit with a 30 per cent down payment is $750 a month. This leaves a cash deficit of $350 a month before even allowing for operating costs. This is why incentives are necessary to attract funds into the construction of rental units.

● (2215)

I suggest that the minister needs to understand what his budget measures mean to people themselves. There is already a crisis situation in Vancouver. There is already a waiting list of 20,000 people, with no place to go as there is no housing. Many units have already passed the $300 per month ceiling for rent controls, and rents on uncontrolled units will double. I have to deal with these people who come to me, in true anxiety, wondering where they can find the money to pay these increases. The vacancy rate is 0.2 per cent, and it cannot go much lower.

Let me give some examples of how people are feeling about these outrageous increases. I know one person, who is now

paying $850 per month, who faces an increase of 63 per cent which will increase the rent to $1,390. Senior citizens are now paying $235 a month. On top of a rental increase of $20 a month, they must pay $142 a month for finance charges because the building has been sold.

Therefore, the need is for a long-term solution to the housing crisis in Canada. I suggest that the minister adjust himself to that problem.

Some hon. Members: Hear, hear!

Mr. John Evans (Parliamentary Secretary to Deputy Prime Minister and Minister of Finance): Mr. Speaker, while the government did anticipate some negative initial response, it did not expect the severity of the response to the minister's proposals in the budget relating to Multiple Unit Residential Buildings and other commercial real estate projects currently under development at that time. However, as soon as the magnitude of the difficulties caused by these proposals and the urgency of the situation was brought to the minister's attention, he proposed to modify the effective date of the budget measures.

On November 17, the minister announced that he will propose in the implementing legislation that a deduction be provided for soft costs incurred after November 12, 1981, relating to any building, provided that the installation of footings or any other base support of the building is commenced before the end of this year and that the construction of the building proceeds without undue delay.

Further, in response to representations that the proposal to restrict the interest expense will cause considerable difficulty for some Multiple Unit Residential Buildings under construction, the minister announced that he will propose that the interest expense be fully deductible on any funds borrowed by the first purchaser of a Multiple Unit Residential Building from the builder or developer, as the case may be. These announcements were made by Press Release 81-111 dated November 17, 1981.

The government is confident that these modifications, as well as other budget measures which provide interest-free loans for rental starts, will provide a stimulus to the construction industry and will avoid the threatened unemployment referred to by the hon. member.

[*Translation*]

THE CONSTITUTION—FRANCOPHONES OUTSIDE QUEBEC—PROTECTION OF RIGHTS

Mr. Jean-Robert Gauthier (Ottawa-Vanier): Mr. Speaker, last week, I directed a question to the Minister of Justice (Mr. Chrétien) respecting the Constitution, more specifically, I asked him how he could explain to French Canadians that the constitutional resolution is said to protect francophones, while in fact it is only protecting the rights of francophones in three provinces, Quebec, New Brunswick and Manitoba. The minister replied that that was easily explained since, to his own and to everyone's surprise, in his own words, he had managed to get the nine English-speaking provinces to agree to protect the rights to education in the minority language.

However, I find it strange that the Minister of Justice should admit his surprise since several premiers, including Mr. Davis of Ontario and Mr. Bennett of British Columbia, have already stated that the minority language education rights clause would bring nothing new to the francophones of their provinces. The premiers themselves have admitted it, and there is nothing new there. It is only a confirmation of the status quo, which does not bring anything new nor is it cause for great celebration. The situation was summarized like this: minority language education rights will be granted across Canada, where numbers warrant and only up to and including the secondary level. However, the French-speaking minorities will have no control over their institutions nor will they have the right to address in their own language their legal and judicial institutions, that is, the provincial assemblies and the courts. All their legal documents such as wills, deeds, all types of contracts will be drawn up in English in seven out of ten provinces, since French will not have the status of a working language in those institutions. That is what I take exception to, Mr. Speaker. If the Constitution is to grant francophones certain rights, then it must also enable them to use the tools needed to uphold those rights. Francophones should have the right to address the courts in French throughout the country. Those are basic democratic rights which one cannot do without if one wants to live in French in Canda. Francophones should have the right everywhere in Canada to communicate with their provincial governments in their mother tongue as well, something which I suggest is essential to the survival of a linguistic group. If a constitution fails to assert that one of the two linguistic communities has the political and legal resources enabling it to express, to protect and to defend its values and its rights, then this community is forced to accept the challenge of seeking survival outside of and often despite the rules of the game.

• (2220)

Mr. Speaker, that marginalization will result in francophones outside Quebec, in the bottom of their heart, being forced to be more vigilant still and more dynamic in their fight to protect whatever limited rights they may have. If they want to maintain any hope, they will have to fight still harder at long last to achieve the status of full-fledged citizens. However, the accumulation of frustrations and setbacks resulting from our numerous fights in the past make me fear that many of my fellow citizens in several regions of Canada will grow too tired to continue the fight. The ever threatening assimilation and the disappearance of the French fact throughout Canada will be our lot and history will say that we are all responsible for it.

The Minister of Justice did point out to me that there is in this resolution a mechanism which will enable us to make

changes. However, Mr. Speaker, I entertain very little hope of having our rights acknowledged one day, and I know there is no need for me to recall all the statements made by Mr. Davis and the other premiers to make myself understood here this evening, even if there are mechanisms for making changes. How can anyone believe that those changes will be possible later when people are so set against them today? That is indeed the price demanded by Mr. Davis in exchange for his support of the constitutional package. It is certainly not the people of this country who reject equality of treatment, and this proves once again that people are often ahead of their leaders. In Ontario, on a provincial basis, more than 53 per cent of the residents would agree to have Section 133 applied to the province. On a local basis, in my riding of Ottawa-Vanier, more than 73 per cent of the people want for the Ontario minority constitutional rights equal to those enjoyed by the Quebec minority.

What is the federal government waiting for? Who is responsible for the protection of the rights of Canadians in this country? The Government of Canada or the provincial governments? When I see how the constitutional discussions are conducted, the answer becomes very clear to me. The federal government proposes, but in fact the provinces are the ones which decide.

Repeatedly, the provincial premiers have shown their utter indifference to the needs of francophones outside Quebec, and I have no intention of putting my future in their hands. Mr. Speaker, as a French-speaking Ontarian, I am against entrenchment under those conditions, and I always will be. The provinces cannot be trusted to guarantee the survival of the French language and French culture in Canada.

Mr. Jim Peterson (Parliamentary Secretary to Minister of Justice and Minister of State for Social Development): Mr. Speaker, I want to congratulate the hon. member for Ottawa-Vanier (Mr. Gauthier) on his good work on behalf of the francophones outside Quebec. He has become their conscience in this House.

However, we must realize what this government has accomplished, especially in the Constitution: first, official bilingualism at the federal level; second, equality of both language groups; third, education rights for minority language groups in all Canadian provinces, for the first time.

Since Mr. Chrétien answered the question put by the hon. member for Ottawa-Vanier, I am going to quote his reply:

> I do agree that it is unfortunate that Ontario has not decided to make French one of the languages used in the courts and in the Ontario legislature. However, in our charter and in our constitutional resolution, we have provided for a mechanism that will enable the provinces to make such changes through bilateral agreements, and I would ask the provinces to consider such action as soon as possible.

Granted, Section 133 does not apply in all parts of Canada. Official bilingualism will not be a fact throughout our country. We regret this, and at the same time, we hope that the province of Ontario will agree to introduce this provision, and in so doing, demonstrate to francophones outside Quebec and to French-speaking Ontarians that they are not second-class citizens. We should realize how lucky we are as Canadians to have two languages and cultures that are among the richest in the world. I hope that we shall be able to take full advantage of this in the future. Our new Constitution is a step in that direction.

● (2225)

[*English*]

The Acting Speaker (Mr. Blaker): The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until two o'clock tomorrow afternoon.

At 10.28 p.m. the House adjourned, without question put, pursuant to Standing Orders.

HOUSE OF COMMONS

Tuesday, December 1, 1981

The House met at 2 p.m.

• (1405)

ROUTINE PROCEEDINGS

[*English*]

THE ECONOMY

CALL FOR PRODUCTION OF NEW BUDGET—MOTION UNDER S.O. 43

Mr. Don Blenkarn (Mississauga South): Madam Speaker, I rise to move a motion under the provisions of Standing Order 43. Statistics Canada has confirmed what everybody, other than those in the ivory tower who advise the Minister of Finance (Mr. MacEachen), already knew, that this country is in a mammoth recession. Therefore I move, seconded by the hon. member for Etobicoke Centre (Mr. Wilson):

That the Prime Minister direct the Minister of Finance to withdraw the budget immediately and change the economic direction of the country, discharge from the public service his ivory tower dreamers, and produce a new budget to get this country back on the rails before this House recesses for Christmas.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

DEMAND THAT NEW BUDGET BE INTRODUCED—MOTION UNDER S.O. 43

Mr. Vince Dantzer (Okanagan North): Madam Speaker, I rise to move a motion under the provisions of Standing Order 43. Today we learn that the government's bureaucracy has finally got the message that the country is headed for economic disaster. Hopefully the Minister of Finance (Mr. MacEachen) has finally got the message that his budget is counterproductive and obsolete. Therefore I move, seconded by the hon. member for Esquimalt-Saanich (Mr. Munro):

That this House demand from this government a new budget which will provide for the needs of ordinary Canadians, that is, jobs, homes, and protection against high interest rates and inflation.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

[*Translation*]

EMPLOYMENT

REQUEST FOR MEASURES TO CURB UNEMPLOYMENT IN QUEBEC—MOTION UNDER S.O. 43

Miss Pauline Jewett (New Westminster-Coquitlam): Madam Speaker, I rise on a matter of urgent and pressing necessity under the provisions of Standing Order 43. Whereas according to Statistics Canada, the unemployment rate in Quebec has shown a dramatic increase of 44 per cent compared to previous months, and whereas Quebec alone has 36 per cent of the unemployed in Canada, I move, seconded by the hon. member for Beaches (Mr. Young):

That the House ask the government to set up special programs in order to provide assistance in areas most seriously affected in Quebec.

Madam Speaker: Under the provisions of Standing Order 43, this motion requires the unanimous consent of the House. Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

[*English*]

THE ADMINISTRATION

ABSENCE OF MINISTER OF FINANCE—MOTION UNDER S.O. 43

Hon. Elmer M. MacKay (Central Nova): Madam Speaker, I rise on a matter of urgent and pressing necessity to move a motion under the provisions of Standing Order 43. The Minister of Finance (Mr. MacEachen), observing the collapse of his budget and the onset of the worst economic climate in this country for decades, apparently seems to have copped out of the House of Commons question period. He is unavailable today, and his office is unwilling to disclose his whereabouts for tomorrow. Therefore I move, seconded by the hon. member for Elgin (Mr. Wise):

That the government arrange to provide this academic expatriate and economic illiterate with an on-the-job training program to overcome the fact that his budget was prepared by his bureaucrats without very much input or understanding by the minister, and at least arrange to have him appear regularly in the House of Commons for questioning about the budget's disastrous, ongoing effects on Canadians.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

S.O. 43

EXTERNAL AFFAIRS

TREATMENT OF VLADIMIR TSUKERMAN BY U.S.S.R. AUTHORITIES—MOTION UNDER S.O. 43

Mr. Jim Peterson (Parliamentary Secretary to Minister of Justice and Minister of State for Social Development): Madam Speaker, I rise to move a motion under the provisions of Standing Order 43. I believe this motion will gain the unanimous support of this House.

Vladimir Tsukerman is a Soviet refusenik who has been condemned by the Russian courts to three years in a labour camp. He had been participating in a peaceful protest against the refusal of the Soviet authorities to grant him permission to emigrate to Israel. He has been separated from his wife and child since 1978.

Whereas Mr. Tsukerman's right to leave the U.S.S.R. is in accordance with the provisions of both Soviet law and the Helsinki Final Act, and whereas he is now being further harassed by the authorities, who have moved him from the labour camp to prison without explanation, and whereas Mrs. Tsukerman is in Ottawa today seeking the assistance of Canadians and is presently in the Speaker's Gallery, I move, seconded by the hon. member for Winnipeg North (Mr. Orlikow):

That this House instruct the government to express to the Soviet authorities its profound regret at this unlawful and inhumane treatment of Mr. Vladimir Tsukerman, that he be permitted immediate reunification with his wife and child, and that the Soviet Union respect its international human rights obligations.

Madam Speaker: For presentation this motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Madam Speaker: The House has heard the terms of the motion. Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to.

* * *

THE BUDGET

CALL FOR WITHDRAWAL OF PROPOSAL AFFECTING LIFE INSURANCE POLICIES—MOTION UNDER S.O. 43

Mr. Lloyd R. Crouse (South Shore): Madam Speaker, I rise to move a motion under the provisions of Standing Order 43. The budget of November 12, 1981, is a disaster for lower and middle-income Canadians who are relying on their life insurance contracts to protect their dependants or to supplement their income in retirement. The proposal to tax the build-up of accrued investment income on a policy or annuity every three years will result in a tax being levied on a value which cannot be received except by surrendering the policy and thereby losing the intended benefits. In view of the fact that the arbitrary application of the accrual tax concept to both insurance and annuity contracts will mean that a large supply of long-term capital for national development will disappear, I move, seconded by the hon. member for Annapolis Valley-Hants (Mr. Nowlan):

That the above-mentioned budget proposal be withdrawn.

Madam Speaker: Is there unanimous support for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

POLITICAL PARTIES

SPEECH MADE BY DEFEATED LIBERAL CANDIDATE IN TORONTO—MOTION UNDER S.O. 43

Mr. Dan Heap (Spadina): Madam Speaker, I rise under the provisions of Standing Order 43 on a matter of urgent and pressing necessity. Whereas the media this weekend brought to light the unhappiness of a Liberal candidate in Spadina who has become an habitual loser and has publicly complained that the Liberal Party is not far enough left, I move, seconded by the hon. member for Beaches (Mr. Young):

That this House suggest to the loser that he go to 323 College Street, Spadina, the federal constituency office in Spadina, which is now under new management, and pick up a copy of a more progressive policy for Canadians and apply for membership in a more progressive party.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

● (1410)

THE BUDGET

SUGGESTED INCLUSION OF ENERGY TAX CREDIT PROGRAM—MOTION UNDER S.O. 43

Mr. F. Oberle (Prince George-Peace River): Madam Speaker, yesterday the price of gasoline and heating oil increased by a further two cents a gallon. Since the last election the prices of these two items have increased by as much as 75 cents a gallon and 50 cents a gallon respectively. In view of the government's abject failure to live up to its election promise to keep fuel price increases to a reasonable level, which would not decimate consumers' income, and in view of the absence from the budget of any measures to protect householders from punitive home heating costs this winter, I move:

That this House instruct the Minister of Finance to alter once again the proposed budget to include energy tax credits for middle and low-income earners.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

THE ADMINISTRATION

SUGGESTED SUCCESSOR TO PRIME MINISTER—MOTION UNDER S.O. 43

Mr. John Bosley (Don Valley West): Madam Speaker, whereas most good things come in threes, and in order to complete the self-immolation of the group currently masquerading as the Liberal Party of Canada, begun last year by their constitutional unilateralism and continued this year with a disastrous budget, I move, seconded by the hon. member for Kindersley-Lloydminster (Mr. McKnight):

That the government be encouraged to take the third step apparently now under discussion, that is, that the Prime Minister resign, to be succeeded at least temporarily by the Minister of Finance, it being the view of the House that the dishonesty and economic stupidity shown by the minister in his budget show him to be perfectly suited to fill the present Prime Minister's shoes.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

THE BUDGET

CALL FOR WITHDRAWAL OF PROVISIONS AFFECTING INVESTMENT INCOME—MOTION UNDER S.O. 43

Mr. Donald W. Munro (Esquimalt-Saanich): Madam Speaker, I move, seconded by the hon. member for Moose Jaw (Mr. Neil):

That the government withdraw from the budget those elements which will reduce the level of investments in Canada, the interest deductibility provisions, and thereby improve the number of job opportunities that renewed investment in the Canadian economy is bound to create.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

THE ENVIRONMENT

LEGISLATION DEALING WITH COASTAL AND OFFSHORE MARINE POLLUTION—MOTION UNDER S.O. 43

Mr. Ted Miller (Nanaimo-Alberni): Madam Speaker, I rise under the provisions of Standing Order 43. Whereas the Ministry of the Environment was aware of an oil spill in the Canadian Arctic in September, 1980, and whereas weather conditions and government indecisiveness prevented clean-up action for nine months, and even then it could only act by invoking a *force majeure* situation, I move, seconded by the hon. member for Skeena (Mr. Fulton):

That the government withdraw Bill C-48 and only reintroduce it when its provisions for environmental standards and pollution compensation are improved, and further that the government bring in immediate revisions to the Canada Shipping Act that will improve the guidelines and contingency plans for dealing with coastal and offshore marine pollution.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

SUGGESTED WITHDRAWAL OF BUDGET

Hon. Michael Wilson (Etobicoke Centre): Madam Speaker, my question is directed to the Prime Minister, if I can get his attention. The Prime Minister is surely aware that we are now in a recession. Just six weeks ago the Prime Minister said the economy was strong, when in fact at that time we were already in the recession that we have today. Clearly this indicates that the budget was prepared with a distinct lack of understanding about the current state of the economy. For that reason I would ask him to explain to the House today how he can justify not withdrawing this budget and introducing a new one which addresses the clear economic problems of recession, lay-offs, and further bankruptcies.

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I believe the hon. member is not repeating the substance of what I said. I said that the economy had been very strong in the seventies and had been strong in the past three quarters, which is true. The Minister of Finance said explicitly that that sustained growth would not continue. It was in that knowledge and that belief that he made his present budget.

● (1415)

Mr. Baker (Nepean-Carleton): Where is he?

Mr. Trudeau: It remains true, Madam Speaker, that when I was speaking and when the budget was made, we had three successive quarters which, on a yearly basis, placed Canada at the head of the OECD countries in terms of growth only after Japan. That remains true in spite of the figures which were released yesterday. It is likely that by the end of this year, as forecast by the OECD, we will have a growth rate in real terms which will be stronger than every other OECD country with the exception of Japan.

This does not mean that the minister was not right when he said that this sustained growth would not continue and that there is very serious economic difficulty ahead. That is why he brought down the budget that he did.

Mr. Nielsen: Where is the Minister of Finance?

REQUEST FOR INTRODUCTION OF ENERGY TAX CREDIT PROGRAM

Hon. Michael Wilson (Etobicoke Centre): Madam Speaker, if the minister brought down that budget knowing that we are in a recession and knowing that we have just had the largest single drop in the economy in 30 years, if the minister brought down that budget knowing what he does from the figures today, he should resign.

Some hon. Members: Hear, hear!

Mr. Nielsen: Where is he?

Mr. Wilson: The Prime Minister again showed over the weekend, in a radio interview, that he is still out of touch with the real world, or else he is misleading Canadians because he said in the interview which I heard that 12 million Canadians had their taxes reduced and that 800,000 Canadians had their taxes increased. This statement totally ignores the fact that all Canadians are going to be paying $1,400 per family per year for the next five years for increased energy taxes. Therefore many Canadians will have their taxes increased for that reason. Will the government consider introducing an energy tax credit in a new budget, in order to alleviate the impact of these huge tax increases on low-income Canadians and those Canadians who are being put out of work because of the recession?

Mr. Nielsen: Where is the Minister of Finance?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I am amazed at the hon. member who is quoting these figures about the taxes. It was quite clear from what I said that I was talking about the budget and the effect of the budget on taxes. Now, the member is talking about taxes on energy which were established well before the budget and which have nothing to do with the budget itself.

Mr. Clark: The same people pay them.

Mr. Trudeau: And the same people mix the two ideas, I say to the Leader of the Opposition, when they ask a question.

Mr. Clark: The same citizens.

Mr. Trudeau: That is why I do not think these questions are honest.

Some hon. Members: Oh, oh!

An hon. Member: Where is the Minister of Finance?

An hon. Member: He has not been here for six days. He must be hiding from Mr. Coutts.

REQUEST THAT COMPLEX BUDGET PROVISIONS BE WITHDRAWN

Hon. Michael Wilson (Etobicoke Centre): Madam Speaker, my final supplementary question would have been for the Minister of Finance, but he is not in the House today and he has not been in the House for five out of the last seven days.

Some hon. Members: Hear, hear!

Mr. Baker (Nepean-Carleton): He is hiding.

Mr. Wilson: Obviously the minister has not the guts to face questions from the opposition who are speaking for Canadians.

Some hon. Members: Hear, hear!

Mr. Wilson: Last week, in narrowly defeating the Liberal policy conference resolution calling upon the Minister of Finance to withdraw the budget, the Minister of Industry, Trade and Commerce said that Canadians do not understand the budget, that it is too complex. Will the Prime Minister instruct the Minister of Finance to listen to his fellow Liberals and withdraw those parts of the budget which Canadians do find so complex so that they can advise the minister on its complexities, to enable him to understand just what impact it is having on the economy and the increasing number of unemployed?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, the hon. member opposite is attacking the Minister of Finance for not being here and is suspecting that he lacks courage. I just want to tell the House that the Minister of Finance many months ago had accepted an invitation to speak on St. Andrew's Day in St. Andrew's, Scotland—

An hon. Member: For five days?

Mr. Trudeau: —which I think, for some members of this House, is an honourable occupation and an honourable occasion.

Some hon. Members: Hear, hear!

• (1420)

Mr. Nowlan: Is Walter Gordon there too?

Mr. Hnatyshyn: St. Andrew is the patron saint of the Ukrainians, Pierre.

Mr. Trudeau: I see that the event does not cause much interest on the other side, so I will sit down.

GOVERNMENT AWARENESS OF STATE OF ECONOMY

Miss Pat Carney (Vancouver Centre): Madam Speaker, in the continuing absence of the Minister of Finance I will address my question to the Prime Minister, who recently told British Columbians that they are "terribly unaware" of what is happening to this country. Since October figures show that housing starts are at a 20-year low, the number of people unemployed is at a record high, the number of farm bankruptcies is 150 per cent higher than in the same period in 1979, and auto sales are at their lowest level in five years, why was the government so unaware that the country is experiencing the worst recession in the last 30 years?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I just answered in response to the previous question that, far from being unaware, the Minister of Finance had indicated that there are going to be very difficult times ahead, and that is why he has a stimulative budget before the House now.

Mr. Wilson: You are more out of touch than I thought.

Mr. McGrath: How can you say that with a straight face, Pierre?

Mr. Epp: Maybe Coutts will give you another line.

Mr. Trudeau: These guffaws indicate the degree to which hon. members opposite are ignorant of what the budget contains. Not so many days ago one member of their party was reproaching us about the size of the deficit. When we have a deficit of the size of $10 billion to $12 billion, it is hard to see how hon. members opposite can guffaw as though that were not a stimulative budget. I wish they would get their act together.

Miss Carney: Madam Speaker, the Prime Minister's answer reminds me that one of his constituents from Mount Royal wrote to me and said, "If you and I did what these people propose, it would be called grand larceny and we would get 20 years in jail."

* * *

THE BUDGET

FORWARD AVERAGING PROVISIONS

Miss Pat Carney (Vancouver Centre): Madam Speaker, I would like to address a supplementary question to the Minister of State for Finance. If his colleagues would be quiet, possibly the minister could hear my question.

The minister recently assured high priced NHL hockey players that they will be as well off under the new forward-averaging provisions of the budget as they were under the old income-averaging provisions. Can the minister make the same commitment to other Canadians who use these averaging provisions, such as farmers, civil servants approaching retirement, and people who have been using these measures? Will he assure them that they are just as well off today as they were before this budget?

[*Translation*]

Hon. Pierre Bussières (Minister of State (Finance)): Madam Speaker, the forward-averaging formula proposed in the budget should be considered in conjunction with the reduction in marginal tax rates, because the two provisions combined enable the taxpayer who wants to take advantage of income-averaging to realize considerable benefits, while at the same time, paying a more equitable share of income tax, compared to the situation which existed under other past provisions.

* * *

[*English*]

THE ECONOMY

REQUEST FOR INTRODUCTION OF NEW BUDGET

Mr. Edward Broadbent (Oshawa): Madam Speaker, I have a question for the Prime Minister. Having reversed himself after one election on the question of wage and price controls, and in view of his complete reversal after a subsequent election promise on the issue of low interest rates, I suggest to the Prime Minister that he is in no position to lecture hon. members on this side of the House on the question of honesty.

Some hon. Members: Hear, hear!

Mr. Broadbent: Since the Prime Minister has now managed, through a persistent policy of high interest rates, to put the state of the Canadian economy at its worst level in 30 years, will he now admit to the House that the budget brought in by the absent Minister of Finance is completely out of date, and will he assure us that he will bring in a new budget before Christmas to give Canadians some hope?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I am surprised that the hon. member should involve himself in a suggestion that there was dishonesty because of a question which was asked of me by the hon. member for Etobicoke Centre. If the hon. member would like to join this public disagreement here, he is quite welcome. In terms of reversing oneself, I know of no one in this House who has reversed himself more often on the constitutional question than the Leader of the New Democratic Party.

● (1425)

Some hon. Members: Hear, hear!

Mr. Nielsen: Good shot, Pierre!

Mr. Trudeau: I would admit that that was not because of a lack of honesty. It was because of a lack of courage.

Some hon. Members: Hear, hear!

Mr. Nielsen: You have been kicked out of bed, Ed.

Madam Speaker: Order, please.

QUERY RESPECTING GOVERNMENT'S ECONOMIC PRIORITIES

Mr. Edward Broadbent (Oshawa): Madam Speaker, we are back to the Prime Minister's high level of debate. First he questions the integrity of members. Now he is back to his old macho level of challenging someone in terms of courage. Just for once we on this side of the House would like the government to answer honestly questions that are put to them honestly about problems of the Canadian economy. Considering that the man who lost the recent Spadina byelection is now saying to the Prime Minister that there should be a complete reversal of their economic priorities in order to accord with the priorities of the man who won that byelection, I would like to ask the Prime Minister this question. Will he admit that, if he does not change his economic priorities, the Liberal Party as a whole will suffer the same fate as Jim Coutts?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, if that were the future which were attending us, I doubt whether the hon. member would be asking us to change our policy. It is because he knows our policy is good that he is asking us to change it.

PLIGHT OF VANCOUVER HOME OWNER

Mr. Edward Broadbent (Oshawa): Madam Speaker, the Prime Minister should go back to reading his briefing notes. He has his glasses back on. Just once we would like to see whether we can elicit some concern from the government. Yesterday a citizen in Vancouver spoke to a New Democratic Party commission outlining the following reality. His total family income is $40 more on a monthly basis than his mortgage payment. Since the government has brought in a budget that gives, to upper-income Canadians in the top two categories, thousands of dollars in tax reductions, and peanuts to those at the bottom, what is the Prime Minister prepared to do now to help that Vancouver family which represents hundreds of thousands of Canadians right across the country?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, the Minister of Public Works has repeatedly invited members of this House to submit such cases to him. If the facts are as recited by the Leader of the New Democratic Party, there would be something in the budget to prevent this person from having any foreclosure affect him.

The hon. member again raises the question of tax reductions to the rich. I point out to him the figures that were quoted by the hon. member for Etobicoke Centre, which are exact. This budget reduces taxes for 12 million taxpayers. For another 3,500,000 taxpayers the taxes will be about the same. Taxes increased as a result of this budget for fewer than 800,000 people. If the hon. member wants to find specific cases where some loopholes are still used by taxpayers, that is fine. He then should support the government which is plugging a lot of those loopholes. But I know that is too much to expect. The New Democratic Party is unable to support progress, providing that progress is not dictated by the Leader of the New Democratic Party.

• (1430)

Mr. Hees: Pierre, you used to be so close.

Mr. Trudeau: I know we used to be so close, George. I even wanted them in my cabinet.

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

Mr. Trudeau: There is one thing which is characteristic of that party, whether it holds the balance of power or not, and that is that it is incapable of taking its responsibilities. It prefers to remain in the opposition.

Some hon. Members: Hear, hear!

* * *

TRANSPORT

ADVERTISEMENT PUBLISHED IN THE "GLOBE AND MAIL"

Hon. Perrin Beatty (Wellington-Dufferin-Simcoe): Madam Speaker, when it comes to the NDP, the Prime Minister loves them and he leaves them.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Beatty: Madam Speaker, I have a question that is directed to the Minister of Transport. The government yesterday ran this full page, full coloured advertisement in *The Globe and Mail,* which congratulates the government on its transportation policies.

Madam Speaker: Order, please.

Some hon. Members: Hear, hear!

Madam Speaker: The hon. member knows that he is not allowed to exhibit documents in the House.

Some hon. Members: Oh, oh!

Mr. Beatty: Madam Speaker, it was just too good to pass up though. As the minister will know, in addition to congratulating the government on its policy, it also gives a picture of virtually every transport system that he is cutting off at the present time. How does the minister justify the wasteful expenditure of $16,000 for this advertisement, when at the very same time he is cutting back on service to Canadians on the grounds that he does not have the money?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, I had a very fast look at that page. Unless I am mistaken, my own picture is not even there.

Some hon. Members: Oh, oh!

Mr. Pepin: The obvious reason we took that page is that this is a special supplement on the part of the *Financial Post* with regard to transportation in Canada.

An hon. Member: Of *The Globe and Mail.*

Mr. Pepin: Of *The Globe and Mail.* On many occasions members of this House on all sides regret that the public, at large, is not sufficiently informed of services provided by the Government of Canada. Obviously this is an effort to remedy that situation.

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CANADIAN UNITY

ADVERTISING BUDGET FOR CANADIAN UNITY INFORMATION OFFICE

Hon. Perrin Beatty (Wellington-Dufferin-Simcoe): Madam Speaker, I direct my supplementary to the Prime Minister. At the present time the government is asking for a further $8.9 million for an advertising campaign for the Canadian Unity Information Office, dealing with the Constitution. I shall ask the Prime Minister a question with regard to the government's priorities. How does he justify spending a further almost $9 million advertising the Constitution, at a time when ordinary Canadians are losing their homes, their businesses, and their farms because of the government's policies?

Some hon. Members: Hear, hear!

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, the Minister of Justice and Attorney General informs me that this morning he was present in committee to defend his estimates and that he did not have a single question on this type of spending. I wish the hon. member had thought of asking his question this morning in committee.

* * *

METRIC CONVERSION

REQUEST THAT PROGRAM BE ABANDONED

Mr. Bill Domm (Peterborough): Madam Speaker, I received a notice this morning from the American national metric council to the effect that the metric board in the United States has been ordered to disband. President Reagan said that "it has walked its last kilometre". My question is directed to the Minister of Industry, Trade and Commerce. Given the fact that there is a $40 billion expenditure taking place in the United States, and they have seen the wisdom of abandoning this forced march to metric, and in view of the fact that the Cattlemen's Association in the west has refused to convert to metric and the government has agreed to call off the regulations, will the minister agree to save the independent dealers, the grocery stores across this nation hundreds of millions of dollars, and call off the forced march to metric in the interest of business?

Some hon. Members: Hear, hear!

[*Translation*]

Hon. Charles Lapointe (Minister of State (Small Businesses and Tourism)): Madam Speaker, it would have been more interesting for the members of the House if the information given by the hon. member in his preamble had been complete. The hon. member should have mentioned in the preamble to his question that the Reagan Administration has proposed to get rid of all federal councils, commissions and related agencies and to integrate them in the various departments as they are called in the United States.

The hon. member is probably aware that during the last few months the American metric commission was in existence before it became part of the Department of Commerce, the Reagan administration increased the commission's budget.

[*English*]

COST OF PROGRAM

Mr. Bill Domm (Peterborough): Madam Speaker, that simply is not true. Since the Minister of State for Small Businesses and Tourism wishes to speak for the small business community across this nation, how could he justify paying $300,000 out in subestimates to the dealers and merchants in Peterborough, Kamloops, and Sherbrooke, Quebec, to switch back to imperial measure, at a time when he is forcing the rest of Canada to convert to metric? Is he setting up a $10 billion account to put them back to imperial, when they cannot trade with the United States, which country intends to stay on imperial maybe forever?

[*Translation*]

Hon. Charles Lapointe (Minister of State (Small Businesses and Tourism)): The reason is quite simple, Madam Speaker. It is simply because the previous government, because of its shortsighted approach, had postponed a measure that was already being implemented. Therefore, in all fairness we wanted to help the owners of grocery stores in Sherbrooke, Kamloops and Peterborough to get through that period without penalizing them for the delay caused by the previous government.

Oral Questions

FINANCE

INQUIRY WHY ONTARIO WAS CHOSEN AS BASIS TO ESTABLISH EQUALIZATION PAYMENTS

Mrs. Suzanne Beauchamp-Niquet (Roberval): Madam Speaker, my question is further to a question concerning equalization payments which was asked in the House last week by my colleague from Montmorency-Orléans. My question is directed to the Minister of State for Finance. Could the minister inform the House why Ontario was selected as the standard for calculating equalization payments and also what the basis is for this proposal?

Hon. Pierre Bussières (Minister of State (Finance)): Madam Speaker, the members of this House will recall that last year, the House passed Bill C-24, one of whose aims was, if I remember correctly, to exclude Ontario, which had become eligible for equalization payments, from receiving such payments. Taking Ontario as the standard means that Ontario becomes the cutoff point and therefore is not eligible for equalization payments—this is acknowledged by the government of Ontario. It also means that the standard reference is a province where content and nature of the tax base are comparable to the situation in other provinces that are entitled to equalization payments, and these payments will bring their revenues up to levels comparable to those in the province of Ontario. We feel that by taking Ontario as the standard, we are fulfilling a twofold purpose; that is, we are enhancing the equity of the equalization system and correcting a number of problems that have been pointed out by the provinces in the past.

EQUALIZATION PAYMENTS—LOSSES SUSTAINED BY PROVINCES

Right Hon. Joe Clark (Leader of the Opposition): Madam Speaker, I have a supplementary question. Could the Minister of State for Finance inform the House today or tomorrow, exactly how much provinces such as New Brunswick, Quebec and Nova Scotia as well as other provinces that are now eligible for equalization payments, are losing as a result of the change in the equalization standard? Can the minister give exact figures from year to year?

Hon. Pierre Bussières (Minister of State (Finance)): Madam Speaker, I am sorry to say to the Leader of the Opposition that I did not bring the stacks of files where I would have been able to find the year-to-year figures for payments made during the last five years. However, if we consider the entire payment system, the provinces themselves have, in fact, asked for changes to be made in the formula. We are doing everything we can to respond to the critical comments of the other provinces with respect to this formula. One member told me, for instance, that Mr. Parizeau himself was indignant that Ontario should be entitled to equalization payments. Other provinces suggested broadening the tax base by adding 100 per cent of revenues from natural resources. Others again wanted to add municipal taxes. We are changing the formulas, and this will benefit the equalization system, because it will make for a more equitable system. Even the provinces have admitted as much. As far as giving exact figures for each province, I am not in a position to do so at this time.

Mr. Clark: Madam Speaker, can the minister confirm in the House today that the rates and levels of equalization payments for provinces such as New Brunswick, Nova Scotia and Quebec will be reduced as a result of the change in standard, using Ontario as a reference?

Mr. Bussières: Madam Speaker, the basic change in the equalization rules will enable provinces who are eligible to continue to receive billions of dollars under this program, and the federal government will continue to meet its commitment, which is entrenched in the Constitution, to provide provinces in financial difficulty with equalization payments. The provinces will see their payments increase over the next five years compared to the amounts they have received during the past five years.

* * *

● (1440)

[*English*]

HOUSING

REQUEST THAT GOVERNMENT AID HOUSING STARTS

Mr. Ian Deans (Hamilton Mountain): Madam Speaker, I should like to direct a question to the Prime Minister. I think every acknowledged expert in the field of housing, both public and private, agrees that we require something in the order of 210,000 units per year in order to meet the housing requirements of Canada. This year we may reach 165,000 units. If we were to build only the housing which is acknowledged as necessary, we could create 110,000 jobs this year over and above the numbers now in existence. Will the Prime Minister direct the government to undertake whatever steps are necessary to begin the needed housing starts and to create employment all across the country which would be beneficial to every Canadian family?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, in the budget which is presently being discussed by the House there is an allocation of some hundreds of millions of dollars to meet shelter needs, either by constructing housing or ensuring the building of rental units. I am sure the hon. member and other hon. members of the House could find more ways to spend more money and to create more houses. As I said earlier, the question is that we are already in a budgetary deficit situation of more than $10 billion.

Mr. Nielsen: You did it.

Mr. Trudeau: This was done because we believed and continue to believe in the importance of a stimulative budget. The question is: how much more can we afford to go into deficit, if we do not want to cause an increase in the rate of inflation and a further deterioration of the economy?

REQUEST FOR INCREASED INVESTMENT

Mr. Ian Deans (Hamilton Mountain): Madam Speaker, I have a supplementary question. Given that we know we need the housing, given that we know people are unemployed, and given that we know that those unemployed are in fact a drain on the economy—they have to receive money from somewhere in order to live, and they would rather work—surely it makes more sense to invest some money in housing now, money which will be recoverable through the payment of mortgages? It would put people to work in Canada today so that they could try to build for the future, rather than saddle them with untold debts and put them in positions where they would be unable to provide for their own needs. Why will the Prime Minister not take a more positive approach to this dilemma?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I am not quite sure what form of monetary or fiscal policy the hon. member is advocating. But certainly, when he says that surely we should invest more money, he should ask himself where the money will come from. It will come either from increased taxes or increased borrowing.

Some hon. Members: Oh, oh!

Mr. Trudeau: The hon. member's backbenchers have a lot of the answers. I wish they would convey them to the questioner so that he could then ask his questions.

An hon. Member: We have.

Mr. Trudeau: And he would not listen to you; well, try again.

Mr. Rae: You are the one who does not listen.

Mr. Trudeau: The hon. member's backbencher tells us that he tried his best to convey to the questioner some sense of economic policy. That is what I am attempting to do as well. I wish I could have the help of the hon. member.

* * *

NATIONAL DEFENCE

F-18 FIGHTER AIRCRAFT PROGRAM—INCREASE IN COST

Hon. Allan B. McKinnon (Victoria): Madam Speaker, my question is directed to the Minister of National Defence. He will recall that last August an increase in the cost of new fighter aircraft of over $1 billion was announced, yet there is no supplementary estimate to cover any part of this increase. Can the minister tell us how he intends to find this extra $1 billion without reducing other programs and thus delaying the frigate program? Our need for ship replacements is becoming more noticeable daily.

Hon. J. Gilles Lamontagne (Minister of National Defence): Madam Speaker, the former minister of national defence should know that capital expenditure of defence is well planned for years ahead. We expected that inflation and other factors would increase the cost of some of our capital expenditures. Every year we conduct a review and an evaluation of the cost of our equipment program. It is not only fighter aircraft or frigates; it is everything we buy. This is why the Department of National Defence has a special economic model to forecast the impact that inflation will have on what we purchase. Everything is looked at every year and this is included in each budget. I thought the former minister of national defence would rise to congratulate the government for the level of importance it gives to the defence budget. We will be able with this budget to fulfil all of our commitments to NATO and to the defence of Canadians.

Some hon. Members: Hear, hear!

POSSIBLE PURCHASE OF BRITISH FRIGATES

Hon. Allan B. McKinnon (Victoria): Madam Speaker, the people in NATO from whom I hear are not pleased about us being down to three ships afloat at the present time. The minister should be concerned about the state of our naval vessels. I should like to refer to one particular example. One ship which has recently had its life extended by an extensive refit is the *Saguenay*. This ship was one of the eight found to have severe boiler problems with cracks in its boilers; eight ships have cracks in their boilers and eight others are being examined for this condition. Has the minister considered making use of the British program where they are willing to sell up to 17 frigates at greatly reduced prices, so that we could use them as a stopgap measure to get us over the very difficult period ahead?

Hon. J. Gilles Lamontagne (Minister of National Defence): Madam Speaker, I would like to inform the hon. member that, at the moment, according to the information I have, we have eight ships on the east coast and four ships on the west coast available and operational.

Mr. Clark: Are they above or below the water?

Mr. Hnatyshyn: One is the "Good Ship Lollipop".

Mr. Lamontagne: Perhaps we would be in a better posture as far as the navy is concerned—

Mr. Crosbie: If we had one.

Mr. Lamontagne: —if the Conservative government when it was in power for nine months had taken decisions, but it did not.

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

Mr. Lamontagne: As far as NATO is concerned, they seem very pleased with our efforts concerning the 3 per cent real growth in defence spending. We are trying to reach that objective, depending upon the economy of the country and upon what we can realistically do. I think we are making a very good effort. I am very glad that we will again be able to fulfil all our commitments as far as Canadian security and NATO are concerned.

POSSIBILITY OF LEASING EQUIPMENT FROM UNITED STATES

Hon. J. Robert Howie (York-Sunbury): Madam Speaker, my question is supplementary and is directed to the same minister. In light of reports that our Canadian Armed Forces are seriously understaffed and poorly equipped, with some vehicles older than their drivers, in view of the impending closure of our excellent fighter aircraft base at Chatham, New Brunswick, and having only 19 Leopard tanks in all Canada, has the minister had any discussions with our American allies about leasing military equipment which approaches the state of the art in modern warfare and, thus, stretch the defence dollar further to provide more badly needed equipment and to free up dollars for more military personnel and better facilities? What is the minister's reaction to this proposition?

● (1450)

[*Translation*]

Hon. J. Gilles Lamontagne (Minister of National Defence): Madam Speaker, it is true that some components of our equipment are somewhat obsolete, and that is why we are gradually replacing them, be they tanks, frigates or aircraft. As to borrowing or leasing equipment from other countries, I think that is out of the question. We have enough equipment to meet our current requirements. With respect to tanks, I should point out that we do not need them here in Canada. We do keep 17 or 19 tanks for training here in Canada, but of course most of them are needed in Germany in case of a possible conflict. Therefore, we do not have to keep hundreds of tanks here in case of conflict. There is no danger on this side of the ocean.

* * *

[*English*]

CANADIAN ARMED FORCES

EFFECT OF BUDGET ON PERSONNEL RETIRING FROM SERVICE

Mr. Doug Neil (Moose Jaw): Madam Speaker, my question is also directed to the Minister of National Defence.

Mr. Baker (Nepean-Carleton): No tanks.

Mr. Neil: The minister must be aware of the effect of the budget on those Armed Forces personnel who are retiring or who are about to retire. Until November 12, when the budget was handed down, severance pay could be placed in income-averaging annuity certificates, the annuity payments being used to supplement superannuation. Under the changes in the budget, a serviceman may no longer purchase IAACs. The result is that several thousands of dollars of severance pay are now taxed away immediately. I would like to ask the minister if he has made or intends to make representations to the Minister of Finance, to have this unfair provision withdrawn.

Some hon. Members: Hear, hear!

Hon. J. Gilles Lamontagne (Minister of National Defence): Madam Speaker, I think the question of pensions for the Armed Forces is a question which is related to defence, of course; but it is also clearly related to the entire policy of the government concerning pensions.

Some hon. Members: Oh, oh!

Mr. Lamontagne: I realize that the hon. member is talking about severance pay. This is a question which will have to be discussed. I think that what the hon. gentleman has asked today has also been asked by many of our people who are retiring from the forces. It will certainly be studied in co-operation with the Minister of Finance and other ministers.

* * *

● (1450)

BANK OF CANADA

LOWERING OF RESERVE REQUIREMENTS APPLICABLE TO CHARTERED BANKS

Mr. Paul E. McRae (Thunder Bay-Atikokan): Madam Speaker, my question is directed to the Minister of State for Finance, and is with regard to the lowering of reserve requirements by the Bank of Canada, on the part of the chartered banks. Even though that is very welcome at this time of tight money, would the minister use his powers, and the powers of the Minister of Finance to ensure that at least the additional revenues which will accrue because of the extra credit will be used to reduce interest rates rather than further increase the profits of the banks? I think these interest rates are excessive—

Some hon. Members: Order.

Mr. McRae: —and the spread between the treasury bill rate and the prime rate is one which should be reduced.

[*Translation*]

Hon. Pierre Bussières (Minister of State (Finance)): Madam Speaker, I will relay the comments of the hon. member to the Minister of Finance who, I am sure, will consider them very carefully.

[*English*]

STATUS OF WOMEN

REQUEST FOR ESTABLISHMENT OF STANDING COMMITTEE TO DEAL WITH ISSUES AFFECTING WOMEN

Miss Pauline Jewett (New Westminster-Coquitlam): Madam Speaker, my question is directed to the Prime Minister. To help ensure that women do attain equality in Canadian society, a principle and a goal about to be established in the new Canadian Constitution by virtue of the now restored Section 28, can the Prime Minister respond to the letter I wrote to him a few weeks ago, which his office acknowledged with interest, calling for the establishment of an all-party standing committee of the House of Commons to deal with all issues affecting women, and, as I said in my letter, to monitor the progress of Canadian women toward true equality? The importance of such a committee cannot, I think, be exaggerated. Would the Prime Minister not agree?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I would agree that the hon. member's letter should be more than acknowledged, and should receive a substantive answer. I will see that that is done. I apologize for not yet being acquainted with the content of the letter. However, I do know how this House usually deals with requests for the setting up of yet another standing committee or another ad hoc committee. It is a matter which I refer to our House leader, who, in conjunction with the Whip, tries to see if we can find yet another standing committee which hon. members will be able to attend and still discharge their duties in the House. However, I will certainly ask that that be considered.

REQUEST THAT IMMEDIATE ATTENTION BE PAID TO ISSUES

Miss Pauline Jewett (New Westminster-Coquitlam): I am sorry the Prime Minister said "yet another committee". The fact is that women's issues are scattered abroad in about a dozen or more standing committees. It is essential, at this time, that they be brought together to make Parliament responsible for these issues.

I would ask the Prime Minister, in view of the fact that the Indian Act and the necessary amendments to it will be postponed, yet again, for another year, much to the distress of his own minister responsible for the Status of Women, does he not think that we need to pay attention now—not a year or two years down the line—to all the issues affecting women, if we really believe what we have established in Section 28?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, certainly, if this government and this party are not already engaged in that process, we will be continuing consultations and our review of the law as it may be affected by the new Charter in these particular affirmations of rights.

Miss Jewett: You need a watchdog.

Mr. Trudeau: The work goes on. We will not wait for a year to begin studying this question, and I hope the hon. member's party will not, either.

Miss Jewett: Well, you're waiting. It says so in the paper. Talk to Munro.

* * *

AGRICULTURE

REPRESENTATIONS ON BUDGET PROVISIONS AFFECTING RETIREMENT INCOME OF FARMERS

Mr. Len Gustafson (Assiniboia): Madam Speaker, my question is directed to the Minister of Agriculture, but it should more properly be directed to the Minister of Finance. However, he is not here today.

An hon. Member: Or yesterday.

Mr. Gustafson: My question concerns annuities for farmers which were removed from the budget, representing their lifetime earnings from the sale of their farms, the sale of their cattle, or the sale of their machinery. Has the minister received any answer to the request which he informed the House that he made to the Minister of Finance concerning this very serious area? Thousands of letters have crossed the desks of Members of Parliament concerning this serious situation relating to farmers. Has the Minister of Agriculture received any recognition from the Minister of Finance, or any answer relating to this situation?

Hon. E. F. Whelan (Minister of Agriculture): Madam Speaker, the hon. member knows full well that submissions are still being made to the Minister of Finance concerning this aspect and other aspects of the budget. They are to be considered, as the Minister of Finance said, in due time.

* * *

HOUSING

MINISTER'S REPORTED SUGGESTION TO YOUNG PERSONS

Hon. Jake Epp (Provencher): Madam Speaker, I would like to direct my question to the Prime Minister. The minister responsible for housing, in his travels across Canada, has been making various suggestions to Canadians on how to get into housing. Yesterday, in Nova Scotia, he said that young Canadians should consider using orange crates to furnish their dream homes.

I would like to ask the Prime Minister whether the dream of many young Canadians to own their own homes is unrealistic, and whether in fact they should resort to the kinds of actions that the minister has been suggesting to them.

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, no dream is unrealistic. Everyone should be able to dream what they want. However, when one places one's

dreams outside the possibility of fulfilling them, one must accept a certain measure of frustration. I do not think that the Government of Canada or the Canadian nation can guarantee or should guarantee to every Canadian, of whatever age or of whatever condition, that each of them can own a house. I believe it is the Bible which says we have to work and earn our bread—

Mr. Epp: By the sweat of our brow.

Mr. Trudeau: —by the sweat of our brow. The hon. member, who is an expert on God, should be reading the Bible, which says that.

Some hon. Members: Shame!

Mr. Trudeau: What's a shame about that?

* * *

THE CONSTITUTION

MOTION INTRODUCED IN BRITISH HOUSE OF COMMONS

Hon. Warren Allmand (Notre-Dame-de-Grâce-Lachine East): Madam Speaker, I have a question for the Prime Minister. I have in my hand a motion which was introduced last night in the British House of Commons by four British Members of Parliament from the various political parties, which reads as follows:

That this House calls upon the government to urge the Government of Canada not to ask this House to enact a Canadian Constitution which has appended to it a charter of rights which is seriously defective, which is in breach of the international covenant of civil and political rights, of which both Canada and the United Kingdom are signatories, and which is strenuously opposed, both by the Indian nations of Canada to whom the Crown is bound by treaty obligations, and by the province of Quebec whose French-speaking population comprises a quarter of the population of Canada.

● (1500)

Has the Prime Minister received a copy of this motion. If so, how does he intend to deal with it?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, that reminds me somewhat of the previous question about dreaming.

* * *

PETITIONS

MISS JEWETT—THE CONSTITUTION—REQUEST FOR DELETION OF SECTION 33 OF CHARTER

Madam Speaker: I have the honour to inform the House that the Clerk of the House has laid upon the Table the one hundred and forty-first report of the Clerk of Petitions stating that he has examined the petition presented by the hon. member for New Westminster-Coquitlam (Miss Jewett) on Monday, November 30, 1981, and finds that it meets the requirements of the Standing Orders as to form.

BUSINESS OF THE HOUSE

Mr. Nielsen: Madam Speaker, the executive assistant to the government House leader was kind enough to inform me with respect to the business of the House for the next two weeks. However, I would like confirmation from the government House leader in that connection.

I am having difficulty, Madam Speaker, because of the various private conversations that are going on.

Some hon. Members: Oh, oh!

Madam Speaker: Order, please. Could I ask hon. members to resume their seats, please?

Mr. Nielsen: Madam Speaker, I was informed that we will be continuing with the Constitution debate for the remainder of today and tomorrow, that we will be dealing with Bill C-48 on Thursday, and Friday, December 4, will be an allotted day.

On December 7 and December 9 of next week we will be dealing with the fifth and sixth days of the budget debate. December 10 will be an allotted day. Should we not be finished with Bill C-48 on Thursday, December 3, we will continue debate on that bill on December 8. If that debate is not finished on December 8, debate on Bill C-48 will continue on December 11.

I ask the government House leader whether I have the information accurately. When he answers that question, could he indicate whether he has given any consideration to the date upon which the House will be rising for the Christmas recess?

Mr. Crosbie: No recess this year.

[*Translation*]

Mr. Pinard: Madam Speaker, with regard to the first question, the information given by one of my assistants to the assistant of the hon. member for Yukon (Mr. Nielsen) is almost fully accurate. To set the record straight for the benefit of the hon. member, I would like to confirm that Friday will be an allotted day and that tomorrow, after the historical vote, we shall resume the debate on Bill C-48 which has been going on for quite a long time and has now reached the third reading stage. If we cannot dipose of Bill C-48 tomorrow afternoon before six o'clock, it will be considered again on Thursday. As for the business for next week, it has not yet been decided. I shall make the usual announcement on Thursday after the question period, but I can readily say to the opposition that the last allotted day for this supply period will be next Thursday, December 10. As for the second question concerning the date of the Chirstmas recess, I have not yet thought about it.

[*English*]

Mr. Nielsen: Madam Speaker, I have one brief follow-up question for the government House leader. If Bill C-48 is concluded some time during the day of Thursday, December 3, has the government any business to disclose to the House for the remainder of that day?

Mr. Pinard: Bill C-78, Madam Speaker.

Mr. Deans: Madam Speaker, I always like to hear about these things.

Some hon. Members: Oh, oh!

Mr. Deans: Would it be possible to work out an arrangement whereby information is distributed equably?

However, I have a question on another matter. The House order under which we are currently operating, as I recall, superseded an agreement that we had for 20-minute speeches for the balance of the debate. Are we still operating under the assumption that speeches will be limited to 20 minutes for the balance of the debate on the constitutional amendment?

[*Translation*]

Mr. Pinard: Madam Speaker, it seems obvious to me that the order of the House made before the most recent one still applies. Consequently, there is still a 20-minute time limit on speeches except for those by the mover of an amendment or party leaders. The fact that we agreed to end the debate and that this agreement does not mention the length of speeches does not invalidate the previous order concerning the length of speeches. Therefore, in my humble interpretation, the length of speeches is still limited to 20 minutes.

[*English*]

Madam Speaker: Is it clear that speeches will be limited to 20 minutes? It is not all that clear in the order. Does the House now confirm that speeches will be limited to 20 minutes?

Some hon. Members: Agreed.

Mr. Nielsen: Madam Speaker, I seldom find myself in agreement with the government House leader on matters of this nature, but I am afraid that I must concur with his interpretation that the pre-existing House order stands and is not superseded in any way by the House order agreed to last Friday.

Mr. Deans: Madam Speaker, I would hope that were the case. But it says quite clearly in the House order "notwithstanding any Standing Order or other order". I assumed that referred to the agreement. However, I suppose I could be wrong, but I do not think so.

Mr. Pinard: Madam Speaker, it says "notwithstanding any previous order or Standing Order". That applies only to the subject matter of the House order. There is nothing in the new House order relating to the length of speeches. Therefore, the previous House order dealing with that is still in existence and still applies.

Point of Order—Mr. Lawrence

POINTS OF ORDER

MR. LAWRENCE—USE OF CONSTITUENCY OFFICES

Hon. Allan Lawrence (Durham-Northumberland): Madam Speaker, I rise reluctantly and regretfully on a point of order concerning a matter pertaining to constituency offices of hon. members. My understanding is that there is either a rule, a regulation, a guideline, an understanding, or, at the very least, a spirit involved in the operation of constituency offices which would prevent them from being used for any political partisan activity.

Today, prior to question period, under the guise of a motion moved under the provisions of Standing Order 43, the hon. member for Spadina (Mr. Heap) stood in his place and openly, and I think quite flagrantly, committed a violation of that spirit or agreement regarding constituency offices.

Unless I seriously misunderstood the hon. member for Spadina, he indicated that not only was political propaganda available in his own constituency office, but indeed he was eager to have at least one individual come into that constituency office to sign an application for political party membership.

I believe this is a matter which falls under your exclusive jurisdiction, Madam Speaker; it is not a matter about which I can raise a question with the ministry. How can I forcefully, openly and publicly bring this matter to your attention?

Mr. Dan Heap (Spadina): Madam Speaker, if I may comment on this point of order, I would be most happy to clear up the misunderstanding which the hon. member has raised. He has suggested that he may not have understood me properly. In fact, he did not. I was very careful to observe the rule or the spirit of which he spoke.

I suggested that a person could get a more progressive policy statement—my words were "a copy of a more progressive policy for Canadians"—if they came to the constituency office. I think that is quite a reasonable thing to suggest. I am sure that every constituency office, of whatever persuasion, undertakes to give the best statements it has regarding the affairs of Canada.

• (1510)

As to applying for membership in a more progressive party, I of course avoided giving any indication to which party he might apply, and I also avoided suggesting that anyone at the office would accept his application. But the fact is, Madam Speaker, we have many people coming to the constituency office in Spadina in all kinds of need and we do not turn anybody away. We attempt to give them some kind of direction as to where they can go to get the help that we cannot give. In this case I would certainly indicate to a person in such need where he could go to find a more progressive party than the Liberal Party.

Madam Speaker: It seems to me that the matter which the hon. member for Durham-Northumberland (Mr. Lawrence) has raised has been dealt with in the House and the House did not give its unanimous consent to that motion. Therefore, the

matter has been dealt with; as for bringing it out publicly, I guess the hon. member has done that.

I must remind members that the use they make of their constituency offices, of course, is subject to the rules, and this involves really administrative matters rather than matters of procedure. Members have the responsibility of using their offices for the purposes for which they exist, and they are accountable for the use of those offices.

MR. SKELLY—ABSENCE FROM HOUSE OF MINISTER OF FINANCE

Mr. Ray Skelly (Comox-Powell River): Madam Speaker, I rise on another point of order. I should just like to call to the attention of the House Standing Order 5, which states that a member shall be in attendance, sitting in the House, unless he has otherwise obtained leave. I would point out that there has been a great deal of difficulty for members in this House who wish to convey and clarify matters relating to the budget. They have faced extreme difficulty in that the minister has been absent for some six of the 13 days since he presented his budget.

It is my opinion that this is a shameful situation which makes things very difficult for elected members. I suggest that this House should call to the attention of the minister that we do require his presence here to answer for some of the more disturbing aspects of this particular budget. There are many people in this country who are facing very serious problems as a result of the budget, and it is not the Minister of State for Finance (Mr. Bussières) who is responsible. So I wonder if this matter might be brought to the minister's attention.

[*Translation*]

Hon. Yvon Pinard (President of the Privy Council): Madam Speaker, in this regard, I think that it would be unfair not to mention the well-known fact that we have a Minister of State for Finance (Mr. Bussières) who is doing a tremendous job and who provides very complete and very responsible answers. If the hon. member has any reason to complain about the propriety of the replies provided by the Minister of State for Finance, I would ask him to have the courage to say exactly on what point he received an incomplete or inaccurate answer. The Minister of Finance (Mr. MacEachen) is one of the ministers who is most regularly present in the House of Commons. If he has been absent these last few days, his absence was well explained by the Right Hon. Prime Minister (Mr. Trudeau) during question period. However, the hon. member is exceedingly well served because, whenever the Minister of Finance must be unavoidably absent from the House, he is very well seconded by a Minister of State for Finance and a devoted parliamentary secretary who make it their duty to provide full and accurate answers to all questions on financial matters.

Madam Speaker: First of all, I do not think that it is appropriate for members of the House to comment on the absence of any of their colleagues. It is up to the colleague in question to determine whether his duty as a member, or as a minister in this case, requires that he be away from or in the House. And he has the responsibility to do his duty wherever he believes that it is most required. The hon. members must not comment on the absence of any other member, and they must especially not refer to Standing Order 5, which, as the hon. member has noted, indeed provides that every member is bound to attend the service of the House. However, I must remind the hon. member, as I was quickly reminded earlier myself, that one of my predecessors stated that this rule was outdated. If it is, I wonder why it was not taken out when our rules and procedures were reviewed. However, in any case, I imagine that my predecessor stated that this Standing Order could no longer apply because of the fact that the duties of the members have become extremely varied today and because members must travel very frequently.

[*English*]

ROUTINE PROCEEDINGS

PETITIONS

MISS MacDONALD—THE CONSTITUTION—REQUEST FOR DELETION OF SECTION 33 OF CHARTER

Hon. Flora MacDonald (Kingston and the Islands): Madam Speaker, I wish to present a petition to the House sponsored by the Ad Hoc Committee of Canadian Women on the Constitution. This petition requests the removal of Section 33, the overriding clause, from the Charter of Rights and Freedoms. It has been signed by 27 petitioners who feel that Members of Parliament should delete Section 33 in order to guarantee to Canadians their basic rights and freedoms.

[*Translation*]

MR. HERBERT—DEFENCE OF HUMAN RIGHTS IN GUATEMALA

Mr. Hal Herbert (Vaudreuil): Madam Speaker, I rise on behalf of 5,631 of my constituents who have referred to me, through the organization "Développement et paix" of Vaudreuil-Soulanges, a petition asking that the Canadian government denounce the inequities of which the defenders of human rights in Guatemala are the constant victims. They ask that the Canadian government protest to the government of Guatemala, that it urge the UN Human Rights Commission to conduct an investigation in Guatemala and that it forgo any direct or indirect assistance to that country.

[*English*]

MR. CORBETT—VIA RAIL—CUTBACKS IN PASSENGER SERVICE

Mr. Bob Corbett (Fundy-Royal): Madam Speaker, I wish to lay upon the Table of the House a petition bearing the names of 380 citizens of the province of New Brunswick and other

regions of Canada who just did not get the message, and do not understand that by now they are supposed to be thankful that the Minister of Transport (Mr. Pepin) has cut them off from any form of decent rail transportation to the rest of Canada.

MR. FRETZ—REIMBURSEMENT OF OWNERS OF HOMES WITH UFFI

Mr. Girve Fretz (Erie): Madam Speaker, it is my duty to present a petition on behalf of my constituents. The purpose of this petition, signed by members of the Bertin household in the city of Port Colborne, is to indicate to the government that urea formaldehyde foam insulation in their home is apparently causing them physical harm. The nature of the petition is to demand that the government reimburse those home owners in Canada who have insulated their homes with UFFI for the removal of the insulation and for the installation of another acceptable kind of insulation.

The petitioners hope, Madam Speaker, that following your examination of their petition you will find the petition in order, sense the urgency and desperation of their plea, and that you might use the discretionary power vested in your office to allow discussion and referral to committee at the earliest possible moment.

● (1520)

MOTION TO ADJOURN UNDER S.O. 26

[*English*]

THE ECONOMY

REPORTED SLUMP IN ACTIVITY

Mr. Edward Broadbent (Oshawa): Madam Speaker, I ask leave, seconded by the hon. member for Hamilton Mountain (Mr. Deans), to move a motion for the adjournment of the House under Standing Order 26 for the purpose of discussing a specific and important matter requiring urgent consideration, namely the report just released by Statistics Canada showing that the Canadian economy has suffered the worst economic slump in 30 years, thus making the current government budget and its forecast completely obsolete and requiring, therefore, an immediate new job-creation budget in order to avoid what will become the worst winter for Canadians since the depression of the 1930s.

Some hon. Members: Hear, hear!

Hon. Erik Nielsen (Yukon): Madam Speaker, I rise on a point of order with respect to the difficulty I see which confronts even your consideration of whether or not the matter is urgent enough to be the subject of a motion under Standing Order 26, in view of the fact that the House order of last Friday is in place.

S.O. 26

Ordinarily a motion under Standing Order 26, if it is accepted, supersedes all other business and is dealt with at eight o'clock. I would like to quote from the House order made last Friday and which appears at page 13433 of *Hansard* for November 27, a House order which was agreed to by the New Democratic Party through their acting House leader, the hon. member for Hamilton Mountain (Mr. Deans), wherein it stipulates:

That the motion of the Minister of Justice for an Address to Her Majesty the Queen concerning the Constitution of Canada (Government Orders, Government Business, No. 56)—

And here is where the most important words occur, Madam Speaker, to which I wish to refer you:

—notwithstanding any Standing or other Order—

Madam Speaker: Order, please. I must remind the hon. member that the Speaker has to deal with this matter immediately the motion is moved. The question is dealt with by the Speaker without debate. I will deal with it. I will not deal with it on a point of order.

Mr. Nielsen: I am not debating it at all, Madam Speaker. I am raising a very serious point of order which I suggest prevents you from doing precisely what you say you intend to do, namely, that the House order that was unanimously accepted by all three parties stipulates that, notwithstanding anything in the Standing Orders, Government Order No. 56 be disposed of. Part of the disposition that the House has ordered should happen, notwithstanding anything in the Standing Orders, shall be that this day will be taken up by the Constitution as well as tomorrow, up until three o'clock.

I suggest, Madam Speaker, that the House order of last Friday is operative notwithstanding anything in the Standing Orders. Since the motion is made under Standing Order 26, no matter how much we may be in sympathy with it—and we are—we are prohibited by the very order of the House from dealing with the matter; and with great respect I suggest that you, Madam Speaker, are prohibited by that House order from even considering the matter that has been put forward, which ordinarily you would do.

Mr. Ian Deans (Hamilton Mountain): Madam Speaker, on the point of order, I would draw your attention to what I consider to be a slight deviation from the point made by the House leader of the official opposition. Standing Order 26(9) states:

If it is determined that the member may proceed,—

That is, if the Speaker determines that the member may proceed.

—the motion shall stand over until 8 p.m. on that day, provided that Mr. Speaker, at his discretion—

I assume that means his or hers.

—may direct that the motion shall be set down for consideration on the following sitting day at an hour specified by him.

I suggest to you, Madam Speaker, that we would be quite content to have it set down for tomorrow.

S.O. 26

[*Translation*]

Hon. Yvon Pinard (President of the Privy Council): Madam Speaker, I do not often agree with the House Leader of the Progressive Conservative Party. But as concerns his interpretation of the House order, I agree with him that the most recent order has priority over all Standing Orders and that Standing Order 26 therefore does not apply. I agree with his interpretation of the House order concerning the application of the Standing Orders. In any case, I believe that we should end this discussion and obey the provisions of Standing Order 26(4) which states the following:

Mr. Speaker shall decide, without any debate, whether or not the matter is proper to be discussed.

[*English*]

Mr. Nielsen: Madam Speaker, I am sorry, I cannot accept the last submission made by the government House leader because it would set a very undesirable precedent if the Chair proceeded in the face of a House order which is so explicit about suspending other Standing Orders and preventing your consideration of whether or not the matter is urgent.

If that kind of precedent were to be set now, if you were to consider it anyway, it would mean that any subsequent House order such as this, which all parties agreed would suspend existing Standing Orders, would not be worth the passage in the House. I would strongly suggest, Madam Speaker, that you accept my submission that this House order does in fact supersede all other Standing Orders and prevents the Chair from even considering the matter.

Madam Speaker: The point made by the hon. member for Yukon (Mr. Nielsen) is a good one. Indeed, as Speaker, I feel bound by the order of the House which determines the business for today, and tomorrow to a certain extent, and his point is well taken.

However, Standing Order 26(9), as was pointed out by the hon. member for Hamilton Mountain (Mr. Deans), would give me the discretion, if I accepted the urgency of the matter, to set the debate for the following sitting at a specified hour. Therefore, I think the two points are quite valid.

The hon. member is shaking his head. I am saying that he is quite right that I am bound by that order of the House; but I have the other indication that Standing Order 26(9) tells me that I may take it under consideration, and because I am bound by the order of the House, that urgent debate could not possibly occur today. I would have to set it for another time.

Both hon. members are right in their interpretation of the Standing Orders and therefore I feel I must rule on the request for an urgent debate. I must tell the hon. member for Oshawa (Mr. Broadbent) that although the subject matter of his application is, of course, very important and of concern to all hon. members, I think I can say it is of a continuing nature and it is difficult to see how I could allow a debate under Standing Order 26. This is particularly relevant when one realizes that the House still has two days remaining to debate the budget, during which debate such a matter can be brought up and will eventually come to a vote on the motion to accept the budget. This is a very efficient way of dealing with this urgent matter.

In addition, there will also be opportunities on the allotted days remaining in the current supply period in which members may bring up this subject for discussion.

I think my predecessor has ruled quite clearly and indicated consistently that debates under Standing Order 26 cannot take place in circumstances such as these, and for these reasons I have to rule out the application made by the hon. member for Oshawa.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are answered by an asterisk.)

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, the following questions will be answered today: Nos. 2,648, 2,755, 2,756, 2,757, 2,762, 2,763, 2,764, 2,774, 2,775, 2,776, 2,777, 2,778, 2,780, 2,781, 2,788, 2,798, 2,799, 2,800, 2,801, 2,964, 2,965, 2,966, 3,123 and 3,168.

[*Text*]

FOOD PRICE SURVEYS

Question No. 2,648—**Mr. Neil:**

1. Does the government carry out any retail food price surveys other than those of the Department of Agriculture and Statistics Canada?

2. Does the government fund any consumer organization which carries out a similar survey?

3. Is consideration being given to utilizing the same survey staff for both the Department of Agriculture survey and the Statistics Canada survey in order to reduce costs and, if not, for what reason?

Hon. J.-J. Blais (Minister of Supply and Services): Statistics Canada reports:

1. In so far as Statistics Canada is aware, only itself and Agriculture Canada carry out regular retail food price surveys.

2. In so far as Statistics Canada is aware, no consumer organization is funded to carry out a similar survey.

3. Statistics Canada and Agriculture Canada have discussions underway on the relationships between their respective surveys.

CENSUS CONTACTS

Question No. 2,755—**Mr. Cossitt:**

1. With reference to the answer to question No. 2,343 which includes the name of C. Anderson, 375 Brock Street, Brockville, Ontario among the names and addresses of contacts used by Statistics Canada for the 1981 census, is the government aware that this individual is president of the Leeds-Grenville Liberal Association?

2. Did this political affiliation play a part in his appointment by Statistics Canada and, if so, what part?

Hon. J.-J. Blais (Minister of Supply and Services): 1. The fact that C. Anderson is president of the Leeds-Grenville Liberal Association is a matter of public record.

2. The contacts are appointed by the minister responsible for Statistics Canada.

See reply to question No. 2,000 answered April 2, 1981.

Question No. 2,756—**Mr. Cossitt:**

1. With reference to the answer to question No. 2,343 which includes the name of Senator D. Wood, Suite 322, 1255 Laird Blvd., Montreal in the constituency of Mount Royal among the names and addresses of contacts used by Statistics Canada for the 1981 census, is the government aware that he is a member of the Senate and that his party affiliation is Liberal?

2. Did this political affiliation play a part in his appointment by Statistics Canada and, if so, what part?

Hon. J.-J. Blais (Minister of Supply and Services): 1. The fact that Senator D. Wood is a member of the Senate and that her party affiliation is Liberal is a matter of public record.

2. See reply to question No. 2,755 answered this day.

Question No. 2,757—**Mr. Cossitt:**

1. With reference to the answer to question No. 2,343 which includes the name of the Hon. Jack Horner, Pollackville, Alberta in the constituency of Crowfoot among the names and addresses of contacts used by Statistics Canada for the 1981 census, is the government aware that Mr. Horner is a former cabinet minister?

2. Did such political affiliation play a part in his appointment by Statistics Canada and, if so, what part?

Hon. J.-J. Blais (Minister of Supply and Services): 1. The fact that the Hon. Jack Horner is a former cabinet minister is a matter of public record.

2. See reply to question No. 2,755 answered this day.

Question No. 2,762—**Mr. Cossitt:**

1. With reference to the answer to question No. 2,343 which includes the name of Mr. Ross Milne, 32 Richmond Dr., Brampton, Ontario among the names and addresses of contacts used by Statistics Canada for the 1981 census, is the government aware that he was the former Member of Parliament for the constituency of Peel-Dufferin-Simcoe?

2. Did such political affiliation play a part in his appointment by Statistics Canada and, if so, what part?

Hon. J.-J. Blais (Minister of Supply and Services): 1. The fact that Mr. Ross Milne was the former Member of Parliament for the constituency of Peel-Dufferin-Simcoe is a matter of public record.

2. See reply to question No. 2,755 answered this day.

Question No. 2,763—**Mr. Cossitt:**

1. With reference to the answer to question No. 2,343 which includes the name of P. G. Carroll, R.R. No. 1, Dunrobin, Ontario among the names and addresses of contacts used by Statistics Canada for the 1981 census, is the government aware that this person was the former Liberal candidate for the constituency of Lanark-Renfrew-Carleton in the 1979 and 1980 federal elections?

2. Did such political affiliation play a part in his appointment by Statistics Canada and, if so, what part?

Hon. J.-J. Blais (Minister of Supply and Services): 1. The fact that P. G. Carroll was the former Liberal candidate for the constituency of Lanark-Renfrew-Carleton in the 1979 and 1980 federal elections is a matter of public record.

2. See reply to question No. 2,755 answered this day.

Question No. 2,764—**Mr. Cossitt:**

1. With reference to the answer to question No. 2,343 which includes the name of C. Morris, R.R. No. 2, Simcoe, Ontario in the constituency of Haldimand-Norfolk among the names and addresses of contacts used by Statistics Canada for the 1981 census, is the government aware that this person was the past president of the Liberal Association for the constituency of Haldimand-Norfolk?

2. Did such political affiliation play a part in his appointment by Statistics Canada and, if so, what part?

Hon. J.-J. Blais (Minister of Supply and Services): 1. The fact that C. Morris was the past president of the Liberal Association for the constituency of Haldimand-Norfolk is a matter of public record.

2. See reply to question No. 2,755 answered this day.

Question No. 2,774—**Mr. Cossitt:**

1. With reference to the answer to question No. 2,343, which includes the name of Mr. Doug Sirrs, Box 6060, Wetaskiwin, Alberta in the constituency of Wetaskiwin among the names and addresses of contacts used by Statistics Canada for the 1981 census, is the government aware that he is the president of the Liberal Association for the constituency of Wetaskiwin?

2. Did political affiliation play a part in his appointment by Statistics Canada and, if so, what part?

Hon. J.-J. Blais (Minister of Supply and Services): 1. The fact that Mr. Doug Sirrs is the president of the Liberal Association for the constituency of Wetaskiwin is a matter of public record.

2. See reply to question No. 2,755 answered this day.

Question No. 2,775—**Mr. Cossitt:**

1. With reference to the answer to question No. 2,343 which includes the name of Mr. T. Lefebvre, Davidson, Comté Pontiac, Québec among the names and addresses of contacts used by Statistics Canada for the 1981 census, is the government aware that he is the Member of Parliament for the constituency of Pontiac-Gatineau-Labelle and that his party affiliation is Liberal?

2. Did such political affiliation play a part in his appointment by Statistics Canada and, if so, what part?

Hon. J.-J. Blais (Minister of Supply and Services): 1. The fact that Mr. T. Lefebvre is the Member of Parliament for the constituency of Pontiac-Gatineau-Labelle and that his party affiliation is Liberal is a matter of public record.

2. See reply to question No. 2,755 answered this day.

Question No. 2,776—**Mr. Cossitt:**

1. With reference to the answer to question No. 2,343 which includes the name of Mr. J. Campbell of 582 90th Ave., LaSalle, Quebec among the names and addresses of contacts used by Statistics Canada for the 1981 census, is the government aware that he is the Member of Parliament for the constituency of LaSalle and that his party affiliation is Liberal?

2. Did such political affiliation play a part in his appointment by Statistics Canada and, if so, what part?

Hon. J.-J. Blais (Minister of Supply and Services): 1. The fact that Mr. J. Campbell is the Member of Parliament for the constituency of LaSalle and that his party affiliation is Liberal is a matter of public record.

2. See reply to question No. 2,755 answered this day.

Order Paper Questions

Question No. 2,777—**Mr. Cossitt:**

1. With reference to the answer to question No. 2,343 which includes the name of Mr. J. L. Leduc of 56 Rue Champoux, Sorel, Quebec among the names and addresses of contacts used by Statistics Canada for the 1981 census, is the government aware that he is the Member of Parliament for the constituency of Richelieu and that his party affiliation is Liberal?

2. Did such political affiliation play a part in his appointment by Statistics Canada and, if so, what part?

Hon. J.-J. Blais (Minister of Supply and Services): 1. The fact that Mr. J. L. Leduc is the Member of Parliament for the constituency of Richelieu and that his party affiliation is Liberal is a matter of public record.

2. See reply to question No. 2,755 answered this day.

Question No. 2,778—**Mr. Cossitt:**

1. With reference to the answer to question No. 2,343 which includes the name of Mr. R. Simmons among the names and addresses of contacts used by Statistics Canada for the 1981 census, is the government aware that he is the Member of Parliament for the constituency of Burin-St. George's and that his party affiliation is Liberal?

2. Did such political affiliation play a part in his appointment by Statistics Canada and, if so, what part?

Hon. J.-J. Blais (Minister of Supply and Services): 1. The fact that Mr. R. Simmons is the Member of Parliament for the constituency of Burin-St. George's and that his party affiliation is Liberal is a matter of public record.

2. See reply to question No. 2,755 answered this day.

Question No. 2,780—**Mr. Cossitt:**

1. With reference to the answer to question No. 2,343 which includes the name of Mr. Bob Daudlin among the names and addresses of contacts used by Statistics Canada for the 1981 census, is the government aware that he is the Member of Parliament for the constituency of Essex-Kent and that his party affiliation is Liberal?

2. Did such political affiliation play a part in his appointment by Statistics Canada and, if so, what part?

Hon. J.-J. Blais (Minister of Supply and Services): 1. The fact that Mr. Bob Daudlin is the Member of Parliament for the constituency of Essex-Kent and that his party affiliation is Liberal is a matter of public record.

2. See reply to question No. 2,755 answered this day.

Question No. 2,781—**Mr. Cossitt:**

1. With reference to the answer to question No. 2,343 which includes the name of Mr. G. Craig, R.R. No. 1, Walton, Ontario among the names and addresses of contacts used by Statistics Canada for the 1981 census, is the government aware that he was a candidate in the February 1980 general election for the constituency of Huron-Bruce and that his party affiliation is Liberal?

2. Did such political affiliation play a part in his appointment by Statistics Canada and, if so, what part?

Hon. J.-J. Blais (Minister of Supply and Services): 1. The fact that Mr. G. Graig was a candidate in the February, 1980 general election for the constituency of Huron-Bruce and that his party affiliation is Liberal is a matter of public record.

2. See reply to question No. 2,755 answered this day.

Question No. 2,788—**Mr. Cossitt:**

1. With reference to the answer to question No. 2,343 which includes the name of Mrs. I. Dunn, 235 St. Andrews St., Victoria, British Columbia among the names and addresses of contacts used by Statistics Canada for the 1981 census, is the government aware that she is a member of the Liberal Association in the constituency of Victoria?

2. Did such political affiliation play a part in her appointment by Statistics Canada and, if so, what part?

Hon. J.-J. Blais (Minister of Supply and Services): 1. The fact that Mrs. I. Dunn is a member of the Liberal Association in the constituency of Victoria is a matter of public record.

2. See reply to question No. 2,755 answered this day.

Question No. 2,798—**Mr. Cossitt:**

1. With reference to the answer to question No. 2,343 which includes the name of Mr. J. A. Hennebury, 3 Howley Ave., St. John's, Newfoundland among the names and addresses of contacts used by Statistics Canada for the 1981 census, is the government aware that he was a candidate in the 1980 general election in the constituency of St. John's West and that his party affiliation is Liberal?

2. Did this political affiliation play a part in his appointment by Statistics Canada and, if so, what part?

Hon. J.-J. Blais (Minister of Supply and Services): 1. The fact that Mr. J. A. Hennebury was a candidate in the 1980 general election in the constituency of St. John's West and that his party affiliation is Liberal is a matter of public record.

2. See reply to question No. 2,755 answered this day.

Question No. 2,799—**Mr. Cossitt:**

1. With reference to the answer to question No. 2,343 which includes the name of Mr. E. Bishop, 17 Montague, St. John's, Newfoundland among the names and addresses of contacts used by Statistics Canada for the 1981 census, is the government aware that he was a candidate in the 1980 general election in the constituency of St. John's East and that his party affiliation is Liberal?

2. Did this political affiliation play a part in his appointment by Statistics Canada and, if so, what part?

Hon. J.-J. Blais (Minister of Supply and Services): 1. The fact that Mr. E. Bishop was a candidate in the 1980 general election in the constituency of St. John's East and that his party affiliation is Liberal is a matter of public record.

2. See reply to question No. 2,755 answered this day.

Question No. 2,800—**Mr. Cossitt:**

1. With reference to the answer to question No. 2,343 which includes the name of Mr. J. Kinley, 80 Victoria Road, Lunenberg, Nova Scotia among the names and addresses of contacts used by Statistics Canada for the 1981 census, is the government aware that he ran against the present member for South Shore in the past three federal elections and that his party affiliation is Liberal?

2. Did this political affiliation play a part in his appointment by Statistics Canada and, if so, what part?

Hon. J.-J. Blais (Minister of Supply and Services): 1. The fact that Mr. J. Kinley ran against the present member for South Shore in the past three federal elections and that his party affiliation is Liberal is a matter of public record.

2. See reply to question No. 2,755 answered this day.

Question No. 2,801—**Mr. Cossitt:**

1. With reference to the answer to question No. 2,343 which includes the name of Mrs. M. Gelfant, 1510 W. 36th St., Vancouver, British Columbia among the names and addresses of contacts used by Statistics Canada for the 1981 census, is the government aware that she is the wife of the Prime Minister's personal dentist?

2. Did this affiliation play a part in her appointment by Statistics Canada and, if so, what part?

Hon. J.-J. Blais (Minister of Supply and Services): 1. The fact that Mrs. M. Gelfant is the wife of the Prime Minister's personal dentist is a matter of public record.

2. See reply to question No. 2,755 answered this day.

LOSS OF HANDHELD RADIO TELEPHONES

Question No. 2,964—**Mr. Clarke:**

1. With reference to the uninsured losses of more than $1,000 of equipment recorded by the Department of Transport in footnote No. 20 at page 13.4, volume 1 of the 1979-80 Public Accounts of Canada, under what circumstances were the handheld radio telephones lost and (a) who was culpable (b) were any convictions made and, if so, what sentences were imposed (c) are any trials or appeals pending (d) was the equipment replaced (e) did the department undertake steps to ensure that such a loss does not recur and, if so, what were they?

2. What use does the department make of the handheld radio telephones?

Mr. Robert Bockstael (Parliamentary Secretary to Minister of Transport): 1. The handheld radio telephones were stolen in a break and entry into the Low Point, Cape Breton, Nova Scotia light station. This building was being used as an operations centre during the early spring/summer 1979, in connection with the Kurdistan oil spill clean-up operations. The RCMP were informed but were not able to determine the name(s) of the person or persons responsible for the break and entry.

(a) Unknown.

(b) No.

(c) No.

(d) Yes.

(e) During the balance of the Kurdistan clean-up operations at Low Point, two watchmen were hired for the operations building, new locks were fitted, and the RCMP were requested to increase their patrols of Transport Canada property.

2. Handheld radio telephones are used by field operations personnel in remote locations, on oil slick lickers, on cleanup of oil from beaches, when servicing and repairing communications towers and other equipment, during land surveys, and in other work situations when direct voice contact cannot be made.

LOSS OF ZODIAC BOAT

Question No. 2,965—**Mr. Clarke:**

1. With reference to the uninsured losses of more than $1,000 of equipment recorded by the Department of Transport in footnote No. 20 at page 13.4, volume 1 of the 1979-80 Public Accounts of Canada, under what circumstances was the Zodiac boat lost and (a) who was culpable (b) were any convictions made and, if so, what sentences were imposed (c) are any trials or appeals pending (d) was the equipment replaced (e) did the Department undertake steps to ensure that such a loss does not recur and, if so, what were they?

2. What use does the department make of the Zodiac boat?

Mr. Robert Bockstael (Parliamentary Secretary to Minister of Transport): 1. This inflatable boat was on the wharf at Sorel, P.Q. near the marine emergency office and it disappeared during a weekend. It was verified that the watchman had not seen anyone on the wharf. A report was made immediately to the Sorel police but no results were obtained. The provincial police inspected a ship in Sept-Îles because part of the crew had docked in Sorel in a boat during the weekend that the theft had taken place.

(a) Unknown.

(b) No.

(c) No.

(d) No.

(e) No valuable equipment is left on the wharf.

2. The boat was used for marine emergency operations.

LOSS OF SCAFFOLDING

Question No. 2,966—**Mr. Clarke:**

1. With reference to the uninsured losses of more than $1,000 of equipment recorded by the Department of Transport in footnote No. 20 at page 13.4, volume 1 of the 1979-80 Public Accounts of Canada, under what circumstances was the scaffolding lost and (a) who was culpable (b) were any convictions made and, if so, what sentences were imposed (c) are any trials or appeals pending (d) was the equipment replaced (e) did the department undertake steps to ensure that such a loss does not recur and, if so, what were they?

2. What use does the department make of the scaffolding?

Mr. Robert Bockstael (Parliamentary Secretary to Minister of Transport): 1. The scaffolding was stolen at Longueuil, P.Q., at night-time, during the period the lighthouse at Traverse Longue Pointe was being constructed. Although the Longueuil police were given a statement their subsequent inquiry did not produce any result.

(a) Unknown.

(b) No.

(c) No.

(d) No, because other scaffolding was available.

(e) The only means of ensuring that a similar situation would not occur during lighthouse construction would be to engage a night watchman. However, experience has shown it is not profitable to do so.

2. The department uses scaffolding for lighthouse construction.

FEDERAL BUSINESS DEVELOPMENT BANK

Question No. 3,123—**Mr. Clarke:**

1. During the period 1970-80 did the Federal Business Development Bank acquire shares or other ownership interest in any other corporation, limited liability company or unincorporated company and, if so, what was the (a) name of the corporation, limited liability company or unincorporated company and any subsidiaries thereof (b) percentage of equity acquired (c) cost of acquisition (d) book value of the acquisition?

2. Does the Federal Business Development Bank have a plan to change the present portion of ownership in any of these enterprises and, if so, what is the plan?

Order Paper Questions

Mr. Ralph Ferguson (Parliamentary Secretary to Minister of State (Small Businesses and Tourism)): In so far as the Federal Business Development Bank is concerned:

1. The Federal Business Development Bank or its predecessor, the Industrial Development Bank, have not created any subsidiaries during the period 1970-80. However, in the normal course of providing its financial assistance to Canadian businesses, it occasionally makes equity investments in Canadian businesses. Because of the confidential nature of these transactions, we are not in a position to divulge the names of the corporations into which the bank has invested. However, the annual financial statements of the Federal Business Development Bank, which are widely distributed and available to any Canadian, contain statistical information on these investment activities. The bank does not seek control of the companies in which it invests and the percentage of equity acquired by the bank normally varies from 10 per cent to 40 per cent for an average participation of some 25-30 per cent. The latest annual audited financial statements at March 31, 1981 indicate that the FBDB had, at that date, 152 investment customers representing a total investment of $43,762,000 or an average amount per customer of $288,000. The present over-all book value of these investments is not appreciably different from the over-all cost of acquisition. During the ten-year period from 1970 to 1980, the bank, through its equity investment activities, provided approximately $64 million of equity funds to some 260 different companies.

2. The FBDB does not specifically seek to increase its ownership position in the companies in which it has invested. It usually tries to divest as soon as the principal objectives set by the company and the bank at the time of investment have been met. Divestiture will most often be achieved through the company or the shareholder buying back the bank's position.

GOVERNMENT DOCK AT YELLOWKNIFE, N.W.T.

Question No. 3,168—**Mr. Nickerson:**

During recent years were government vessels, such as Canadian Coast Guard ships, on several occasions unable to tie up at the government dock in Yellowknife, Northwest Territories because it was blocked by private craft and, if so, what plans does the government have to alleviate the problem, while at the same time allowing private vessels to use the dock when it is not required for official use?

Mr. Robert Bockstael (Parliamentary Secretary to Minister of Transport): Regional officials of Transport Canada are aware that government vessels have been inconvenienced because berthing space has not been available at the government wharf in Yellowknife. This wharf has been unsupervised for at least seven years, owing to the difficulty in attracting wharfinger personnel to a position with such low revenue potential. Although the city of Yellowknife was approached in August, 1980 to determine whether they would consider leasing the wharf, they showed no interest in such an arrangement.

Possible actions to alleviate problems include the posting of signs limiting the length of time a vessel may berth at the wharf, and designating a berth for vessels actively engaged in loading and unloading goods and people. However, these measures require enforcement on a continuing basis. Although Transport Canada regional officials will continue to monitor the situation at Yellowknife, if is unlikely that significant improvements will be seen until the services of a wharfinger can be retained.

[*English*]

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

Madam Speaker: The questions enumerated by the parliamentary secretary have been answered. Shall the remaining questions be allowed to stand?

• (1530)

Mr. Young: Madam Speaker, I would like to ask the parliamentary secretary when he expects to be able to give me answers to the written questions on the Order Paper Nos. 3,380 to 3,438, which concern recommendations made in the "Obstacles" report. At the time the question was first asked in the House by myself on October 27, as recorded at page 12211 of *Hansard*, the minister indicated that it would be possible to provide answers on the following day.

I wonder if the parliamentary secretary could give me an indication as to when I can expect answers to those questions.

Mr. Smith: Madam Speaker, I shall make inquiries on behalf of the hon. member and, hopefully, we will have the replies soon.

Madam Speaker: Shall the remaining questions stand?

Some hon. Members: Agreed.

GOVERNMENT ORDERS

[*Translation*]

THE CONSTITUTION

RESOLUTION RESPECTING CONSTITUTION ACT, 1981

The House resumed, from Monday, November 30, consideration of the amended motion of Mr. Chrétien:

THAT, WHEREAS in the past certain amendments to the Constitution of Canada have been made by the Parliament of the United Kingdom at the request and with the consent of Canada;

AND WHEREAS it is in accord with the status of Canada as an independent state that Canadians be able to amend their Constitution in Canada in all respects;

AND WHEREAS it is also desirable to provide in the Constitution of Canada for the recognition of certain fundamental rights and freedoms and to make other amendments to that Constitution;

A respectful address be presented to Her Majesty the Queen in the following words:

To the Queen's Most Excellent Majesty:
Most Gracious Sovereign:

We, Your Majesty's loyal subjects, the House of Commons of Canada in Parliament assembled, respectfully approach Your Majesty, requesting that you may graciously be pleased to cause to be laid before the Parliament of the United Kingdom a measure containing the recitals and clauses hereinafter set forth:

CONSIDÉRANT :
que le Parlement du Royaume-Uni a modifié à plusieurs reprises la Constitution du Canada à la demande et avec le consentement de celui-ci;

que, de par le statut d'État indépendant du Canada, il est légitime que les Canadiens aient tout pouvoir pour modifier leur Constitution au Canada;

qu'il est souhaitable d'inscrire dans la Constitution du Canada la reconnaissance de certains droits et libertés fondamentaux et d'y apporter d'autres modifications,

il est proposé que soit présentée respectueusement à Sa Majesté la Reine l'adresse dont la teneur suit :

A Sa Très Excellente Majesté la Reine,
Très Gracieuse Souveraine :

Nous, membres de la Chambre des communes du Canada réunis en Parlement, fidèles sujets de Votre Majesté, demandons respectueusement à Votre Très Gracieuse Majesté de bien vouloir faire déposer devant le Parlement du Royaume-Uni un projet de loi ainsi conçu :

ANNEXE A—SCHEDULE A

An Act to give effect to a request by the Senate and House of Commons of Canada

Loi donnant suite à une demande du Sénat et de la Chambre des communes du Canada

Whereas Canada has requested and consented to the enactment of an Act of the Parliament of the United Kingdom to give effect to the provisions hereinafter set forth and the Senate and the House of Commons of Canada in Parliament assembled have submitted an address to Her Majesty requesting that Her Majesty may graciously be pleased to cause a Bill to be laid before the Parliament of the United Kingdom for that purpose.

Be it therefore enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:

Sa Très Excellente Majesté la Reine, considérant :

qu'à la demande et avec le consentement du Canada, le Parlement du Royaume-Uni est invité à adopter une loi visant à donner effet aux dispositions énoncées ci-après et que le Sénat et la Chambre des communes du Canada réunis en Parlement ont présenté une adresse demandant à Sa Très Gracieuse Majesté de bien vouloir faire déposer devant le Parlement du Royaume-Uni un projet de loi à cette fin,

sur l'avis et du consentement des Lords spirituels et temporels et des Communes réunis en Parlement, et par l'autorité de celui-ci, édicte :

Constitution Act, 1981 enacted

1. The *Constitution Act, 1981* set out in Schedule B to this Act is hereby enacted for and shall have the force of law in Canada and shall come into force as provided in that Act.

Adoption de la *Loi constitutionnelle de 1981*

1. La *Loi constitutionnelle de 1981*, énoncée à l'annexe B, est édictée pour le Canada et y a force de loi. Elle entre en vigueur conformément à ses dispositions.

Termination of power to legislate for Canada

2. No Act of the Parliament of the United Kingdom passed after the *Constitution Act, 1981* comes into force shall extend to Canada as part of its law.

Cessation du pouvoir de légiférer pour le Canada

2. Les lois adoptées par le Parlement du Royaume-Uni après l'entrée en vigueur de la *Loi constitutionnelle de 1981* ne font pas partie du droit du Canada.

French version

3. So far as it is not contained in Schedule B, the French version of this Act is set out in Schedule A to this Act and has the same authority in Canada as the English version thereof.

Version française

3. La partie de la version française de la présente loi qui figure à l'annexe A a force de loi au Canada au même titre que la version anglaise correspondante.

Short title

4. This Act may be cited as the *Canada Act*.

Titre abrégé

4. Titre abrégé de la présente loi : *Loi sur le Canada*.

SCHEDULE B

CONSTITUTION ACT, 1981

PART I

CANADIAN CHARTER OF RIGHTS AND FREEDOMS

Whereas Canada is founded upon principles that recognize the supremacy of God and the rule of law:

Guarantee of Rights and Freedoms

Rights and freedoms in Canada

1. The *Canadian Charter of Rights and Freedoms* guarantees the rights and freedoms set out in it subject only to such reasonable limits prescribed by law as can be demonstrably justified in a free and democratic society.

Fundamental Freedoms

Fundamental freedoms

2. Everyone has the following fundamental freedoms:

(*a*) freedom of conscience and religion;

(*b*) freedom of thought, belief, opinion and expression, including freedom of the press and other media of communication;

(*c*) freedom of peaceful assembly; and

(*d*) freedom of association.

Democratic Rights

Democratic rights of citizens

3. Every citizen of Canada has the right to vote in an election of members of the House of Commons or of a legislative assembly and to be qualified for membership therein.

Maximum duration of legislative bodies

4. (1) No House of Commons and no legislative assembly shall continue for longer than five years from the date fixed for the return of the writs at a general election of its members.

Continuation in special circumstances

(2) In time of real or apprehended war, invasion or insurrection, a House of Commons may be continued by Parliament and a legislative assembly may be continued by the legislature beyond five years if such continuation is not opposed by the votes of more than one-third of the members of the House

ANNEXE B

LOI CONSTITUTIONNELLE DE 1981

PARTIE I

CHARTE CANADIENNE DES DROITS ET LIBERTÉS

Attendu que le Canada est fondé sur des principes qui reconnaissent la suprématie de Dieu et la primauté du droit :

Garantie des droits et libertés

Droits et libertés au Canada

1. La *Charte canadienne des droits et libertés* garantit les droits et libertés qui y sont énoncés. Ils ne peuvent être restreints que par une règle de droit, dans des limites qui soient raisonnables et dont la justification puisse se démontrer dans le cadre d'une société libre et démocratique.

Libertés fondamentales

Libertés fondamentales

2. Chacun a les libertés fondamentales suivantes :

a) liberté de conscience et de religion;

b) liberté de pensée, de croyance, d'opinion et d'expression, y compris la liberté de la presse et des autres moyens de communication;

c) liberté de réunion pacifique;

d) liberté d'association.

Droits démocratiques

Droits démocratiques des citoyens

3. Tout citoyen canadien a le droit de vote et est éligible aux élections législatives fédérales ou provinciales.

Mandat maximal des assemblées

4. (1) Le mandat maximal de la Chambre des communes et des assemblées législatives est de cinq ans à compter de la date fixée pour le retour des brefs relatifs aux élections générales correspondantes.

Prolongations spéciales

(2) Le mandat de la Chambre des communes ou celui d'une assemblée législative peut être prolongé respectivement par le Parlement ou par la législature en question au-delà de cinq ans en cas de guerre, d'invasion ou d'insurrection, réelles ou appréhendées, pourvu que cette prolongation ne fasse pas

of Commons or the legislative assembly, as the case may be.

l'objet d'une opposition exprimée par les voix de plus du tiers des députés de la Chambre des communes ou de l'assemblée législative.

Annual sitting of legislative bodies

5. There shall be a sitting of Parliament and of each legislature at least once every twelve months.

Séance annuelle

5. Le Parlement et les législatures tiennent une séance au moins une fois tous les douze mois.

Mobility Rights

Liberté de circulation et d'établissement

Mobility of citizens

6. (1) Every citizen of Canada has the right to enter, remain in and leave Canada.

Liberté de circulation

6. (1) Tout citoyen canadien a le droit de demeurer au Canada, d'y entrer ou d'en sortir.

Rights to move and gain livelihood

(2) Every citizen of Canada and every person who has the status of a permanent resident of Canada has the right

(*a*) to move to and take up residence in any province; and

(*b*) to pursue the gaining of a livelihood in any province.

Liberté d'établissement

(2) Tout citoyen canadien et toute personne ayant le statut de résident permanent au Canada ont le droit :

a) de se déplacer dans tout le pays et d'établir leur résidence dans toute province;

b) de gagner leur vie dans toute province.

Limitation

(3) The rights specified in subsection (2) are subject to

(*a*) any laws or practices of general application in force in a province other than those that discriminate among persons primarily on the basis of province of present or previous residence; and

(*b*) any laws providing for reasonable residency requirements as a qualification for the receipt of publicly provided social services.

Restriction

(3) Les droits mentionnés au paragraphe (2) sont subordonnés :

a) aux lois et usages d'application générale en vigueur dans une province donnée, s'ils n'établissent entre les personnes aucune distinction fondée principalement sur la province de résidence antérieure ou actuelle;

b) aux lois prévoyant de justes conditions de résidence en vue de l'obtention des services sociaux publics.

Affirmative action programs

(4) Subsections (2) and (3) do not preclude any law, program or activity that has as its object the amelioration in a province of conditions of individuals in that province who are socially or economically disadvantaged if the rate of employment in that province is below the rate of employment in Canada.

Programmes de promotion sociale

(4) Les paragraphes (2) et (3) n'ont pas pour objet d'interdire les lois, programmes ou activités destinés à améliorer, dans une province, la situation d'individus défavorisés socialement ou économiquement, si le taux d'emploi dans la province est inférieur à la moyenne nationale.

Legal Rights

Garanties juridiques

Life, liberty and security of person

7. Everyone has the right to life, liberty and security of the person and the right not to be deprived thereof except in accordance with the principles of fundamental justice.

Vie, liberté et sécurité

7. Chacun a droit à la vie, à la liberté et à la sécurité de sa personne; il ne peut être porté atteinte à ce droit qu'en conformité avec les principes de justice fondamentale.

Search or seizure

8. Everyone has the right to be secure against unreasonable search or seizure.

Fouilles, perquisitions ou saisies

8. Chacun a droit à la protection contre les fouilles, les perquisitions ou les saisies abusives.

Detention or imprisonment

9. Everyone has the right not to be arbitrarily detained or imprisoned.

Détention ou emprisonnement

9. Chacun a droit à la protection contre la détention ou l'emprisonnement arbitraires.

The Constitution

Arrest or detention

10. Everyone has the right on arrest or detention

(*a*) to be informed promptly of the reasons therefor;

(*b*) to retain and instruct counsel without delay and to be informed of that right; and

(*c*) to have the validity of the detention determined by way of *habeas corpus* and to be released if the detention is not lawful.

Arrestation ou détention

10. Chacun a le droit, en cas d'arrestation ou de détention :

a) d'être informé dans les plus brefs délais des motifs de son arrestation ou de sa détention;

b) d'avoir recours sans délai à l'assistance d'un avocat et d'être informé de ce droit;

c) de faire contrôler, par *habeas corpus*, la légalité de sa détention et d'obtenir, le cas échéant, sa libération.

Proceedings in criminal and penal matters

11. Any person charged with an offence has the right

(*a*) to be informed without unreasonable delay of the specific offence;

(*b*) to be tried within a reasonable time;

(*c*) not to be compelled to be a witness in proceedings against that person in respect of the offence;

(*d*) to be presumed innocent until proven guilty according to law in a fair and public hearing by an independent and impartial tribunal;

(*e*) not to be denied reasonable bail without just cause;

(*f*) except in the case of an offence under military law tried before a military tribunal, to the benefit of trial by jury where the maximum punishment for the offence is imprisonment for five years or a more severe punishment;

(*g*) not to be found guilty on account of any act or omission unless, at the time of the act or omission, it constituted an offence under Canadian or international law or was criminal according to the general principles of law recognized by the community of nations;

(*h*) if finally acquitted of the offence, not to be tried for it again and, if finally found guilty and punished for the offence, not to be tried or punished for it again; and

(*i*) if found guilty of the offence and if the punishment for the offence has been varied between the time of commission and the time of sentencing, to the benefit of the lesser punishment.

Affaires criminelles et pénales

11. Tout inculpé a le droit :

a) d'être informé sans délai anormal de l'infraction précise qu'on lui reproche;

b) d'être jugé dans un délai raisonnable;

c) de ne pas être contraint de témoigner contre lui-même dans toute poursuite intentée contre lui pour l'infraction qu'on lui reproche;

d) d'être présumé innocent tant qu'il n'est pas déclaré coupable, conformément à la loi, par un tribunal indépendant et impartial à l'issue d'un procès public et équitable;

e) de ne pas être privé sans juste cause d'une mise en liberté assortie d'un cautionnement raisonnable;

f) sauf s'il s'agit d'une infraction relevant de la justice militaire, de bénéficier d'un procès avec jury lorsque la peine maximale prévue pour l'infraction dont il est accusé est un emprisonnement de cinq ans ou une peine plus grave;

g) de ne pas être déclaré coupable en raison d'une action ou d'une omission qui, au moment où elle est survenue, ne constituait pas une infraction d'après le droit interne du Canada ou le droit international et n'avait pas de caractère criminel d'après les principes généraux de droit reconnus par l'ensemble des nations;

h) d'une part de ne pas être jugé de nouveau pour une infraction dont il a été définitivement acquitté, d'autre part de ne pas être jugé ni puni de nouveau pour une infraction dont il a été définitivement déclaré coupable et puni;

i) de bénéficier de la peine la moins sévère, lorsque la peine qui sanctionne l'infraction dont il est déclaré coupable est

modifiée entre le moment de la perpétration de l'infraction et celui de la sentence.

Treatment or punishment

12. Everyone has the right not to be subjected to any cruel and unusual treatment or punishment.

12. Chacun a droit à la protection contre tous traitements ou peines cruels et inusités. Cruauté

Self-crimination

13. A witness who testifies in any proceedings has the right not to have any incriminating evidence so given used to incriminate that witness in any other proceedings, except in a prosecution for perjury or for the giving of contradictory evidence.

13. Chacun a droit à ce qu'aucun témoignage incriminant qu'il donne ne soit utilisé pour l'incriminer dans d'autres procédures, sauf lors de poursuites pour parjure ou pour témoignages contradictoires. Témoignage incriminant

Interpreter

14. A party or witness in any proceedings who does not understand or speak the language in which the proceedings are conducted or who is deaf has the right to the assistance of an interpreter.

14. La partie ou le témoin qui ne peuvent suivre les procédures, soit parce qu'ils ne comprennent pas ou ne parlent pas la langue employée, soit parce qu'ils sont atteints de surdité, ont droit à l'assistance d'un interprète. Interprète

Equality Rights

Droits à l'égalité

Equality before and under law and equal protection and benefit of law

15. (1) Every individual is equal before and under the law and has the right to the equal protection and equal benefit of the law without discrimination and, in particular, without discrimination based on race, national or ethnic origin, colour, religion, sex, age or mental or physical disability.

15. (1) La loi ne fait acception de personne et s'applique également à tous, et tous ont droit à la même protection et au même bénéfice de la loi, indépendamment de toute discrimination, notamment des discriminations fondées sur la race, l'origine nationale ou ethnique, la couleur, la religion, le sexe, l'âge ou les déficiences mentales ou physiques. Égalité devant la loi, égalité de bénéfice et protection égale de la loi

Affirmative action programs

(2) Subsection (1) does not preclude any law, program or activity that has as its object the amelioration of conditions of disadvantaged individuals or groups including those that are disadvantaged because of race, national or ethnic origin, colour, religion, sex, age or mental or physical disability.

(2) Le paragraphe (1) n'a pas pour effet d'interdire les lois, programmes ou activités destinés à améliorer la situation d'individus ou de groupes défavorisés, notamment du fait de leur race, de leur origine nationale ou ethnique, de leur couleur, de leur religion, de leur sexe, de leur âge ou de leurs déficiences mentales ou physiques. Programmes de promotion sociale

Official Languages of Canada

Langues officielles du Canada

Official languages of Canada

16. (1) English and French are the official languages of Canada and have equality of status and equal rights and privileges as to their use in all institutions of the Parliament and government of Canada.

16. (1) Le français et l'anglais sont les langues officielles du Canada; ils ont un statut et des droits et privilèges égaux quant à leur usage dans les institutions du Parlement et du gouvernement du Canada. Langues officielles du Canada

Official languages of New Brunswick

(2) English and French are the official languages of New Brunswick and have equality of status and equal rights and privileges as to their use in all institutions of the

(2) Le français et l'anglais sont les langues officielles du Nouveau-Brunswick; ils ont un statut et des droits et privilèges égaux quant à leur usage dans les institutions de la Légis- Langues officielles du Nouveau-Brunswick

legislature and government of New Brunswick.

Advancement of status and use

(3) Nothing in this Charter limits the authority of Parliament or a legislature to advance the equality of status or use of English and French.

Proceedings of Parliament

17. (1) Everyone has the right to use English or French in any debates and other proceedings of Parliament.

Proceedings of New Brunswick legislature

(2) Everyone has the right to use English or French in any debates and other proceedings of the legislature of New Brunswick.

Parliamentary statutes and records

18. (1) The statutes, records and journals of Parliament shall be printed and published in English and French and both language versions are equally authoritative.

New Brunswick statutes and records

(2) The statutes, records and journals of the legislature of New Brunswick shall be printed and published in English and French and both language versions are equally authoritative.

Proceedings in courts established by Parliament

19. (1) Either English or French may be used by any person in, or in any pleading in or process issuing from, any court established by Parliament.

Proceedings in New Brunswick courts

(2) Either English or French may be used by any person in, or in any pleading in or process issuing from, any court of New Brunswick.

Communications by public with federal institutions

20. (1) Any member of the public in Canada has the right to communicate with, and to receive available services from, any head or central office of an institution of the Parliament or government of Canada in English or French, and has the same right with respect to any other office of any such institution where

(*a*) there is a significant demand for communications with and services from that office in such language; or

lature et du gouvernement du Nouveau-Brunswick.

Progression vers l'égalité

(3) La présente charte ne limite pas le pouvoir du Parlement et des législatures de favoriser la progression vers l'égalité de statut ou d'usage du français et de l'anglais.

Travaux du Parlement

17. (1) Chacun a le droit d'employer le français ou l'anglais dans les débats et travaux du Parlement.

Travaux de la Législature du Nouveau-Brunswick

(2) Chacun a le droit d'employer le français ou l'anglais dans les débats et travaux de la Législature du Nouveau-Brunswick.

Documents parlementaires

18. (1) Les lois, les archives, les comptes rendus et les procès-verbaux du Parlement sont imprimés et publiés en français et en anglais, les deux versions des lois ayant également force de loi et celles des autres documents ayant même valeur.

Documents de la Législature du Nouveau-Brunswick

(2) Les lois, les archives, les comptes rendus et les procès-verbaux de la Législature du Nouveau-Brunswick sont imprimés et publiés en français et en anglais, les deux versions des lois ayant également force de loi et celles des autres documents ayant même valeur.

Procédures devant les tribunaux établis par le Parlement

19. (1) Chacun a le droit d'employer le français ou l'anglais dans toutes les affaires dont sont saisis les tribunaux établis par le Parlement et dans tous les actes de procédure qui en découlent.

Procédures devant les tribunaux du Nouveau-Brunswick

(2) Chacun a le droit d'employer le français ou l'anglais dans toutes les affaires dont sont saisis les tribunaux du Nouveau-Brunswick et dans tous les actes de procédure qui en découlent.

Communications entre les administrés et les institutions fédérales

20. (1) Le public a, au Canada, droit à l'emploi du français ou de l'anglais pour communiquer avec le siège ou l'administration centrale des institutions du Parlement ou du gouvernement du Canada ou pour en recevoir les services; il a le même droit à l'égard de tout autre bureau de ces institutions là où, selon le cas :

a) l'emploi du français ou de l'anglais fait l'objet d'une demande importante;

b) l'emploi du français et de l'anglais se justifie par la vocation du bureau.

(*b*) due to the nature of the office, it is reasonable that communications with and services from that office be available in both English and French.

Communications by public with New Brunswick institutions

(2) Any member of the public in New Brunswick has the right to communicate with, and to receive available services from, any office of an institution of the legislature or government of New Brunswick in English or French.

(2) Le public a, au Nouveau-Brunswick, droit à l'emploi du français ou de l'anglais pour communiquer avec tout bureau des institutions de la législature ou du gouvernement ou pour en recevoir les services.

Communications entre les administrés et les institutions du Nouveau-Brunswick

Continuation of existing constitutional provisions

21. Nothing in sections 16 to 20 abrogates or derogates from any right, privilege or obligation with respect to the English and French languages, or either of them, that exists or is continued by virtue of any other provision of the Constitution of Canada.

21. Les articles 16 à 20 n'ont pas pour effet, en ce qui a trait à la langue française ou anglaise ou à ces deux langues, de porter atteinte aux droits, privilèges ou obligations qui existent ou sont maintenus aux termes d'une autre disposition de la Constitution du Canada.

Maintien en vigueur de certaines dispositions

Rights and privileges preserved

22. Nothing in sections 16 to 20 abrogates or derogates from any legal or customary right or privilege acquired or enjoyed either before or after the coming into force of this Charter with respect to any language that is not English or French.

22. Les articles 16 à 20 n'ont pas pour effet de porter atteinte aux droits et privilèges, antérieurs ou postérieurs à l'entrée en vigueur de la présente charte et découlant de la loi ou de la coutume, des langues autres que le français ou l'anglais.

Droits préservés

Minority Language Educational Rights

Droits à l'instruction dans la langue de la minorité

Language of instruction

23. (1) Citizens of Canada

(*a*) whose first language learned and still understood is that of the English or French linguistic minority population of the province in which they reside, or

(*b*) who have received their primary school instruction in Canada in English or French and reside in a province where the language in which they received that instruction is the language of the English or French linguistic minority population of the province,

have the right to have their children receive primary and secondary school instruction in that language in that province.

23. (1) Les citoyens canadiens :

a) dont la première langue apprise et encore comprise est celle de la minorité francophone ou anglophone de la province où ils résident,

b) qui ont reçu leur instruction, au niveau primaire, en français ou en anglais au Canada et qui résident dans une province où la langue dans laquelle ils ont reçu cette instruction est celle de la minorité francophone ou anglophone de la province,

ont, dans l'un ou l'autre cas, le droit d'y faire instruire leurs enfants, aux niveaux primaire et secondaire, dans cette langue.

Langue d'instruction

Continuity of language instruction

(2) Citizens of Canada of whom any child has received or is receiving primary or secondary school instruction in English or French in Canada, have the right to have all their children receive primary and secondary school instruction in the same language.

(2) Les citoyens canadiens dont un enfant a reçu ou reçoit son instruction, au niveau primaire ou secondaire, en français ou en anglais au Canada ont le droit de faire instruire tous leurs enfants, aux niveaux primaire et secondaire, dans la langue de cette instruction.

Continuité d'emploi de la langue d'instruction

Application where numbers warrant

(3) The right of citizens of Canada under subsections (1) and (2) to have their children receive primary and secondary school instruction in the language of the English or French linguistic minority population of a province

(*a*) applies wherever in the province the number of children of citizens who have such a right is sufficient to warrant the provision to them out of public funds of minority language instruction; and

(*b*) includes, where the number of those children so warrants, the right to have them receive that instruction in minority language educational facilities provided out of public funds.

Justification par le nombre

(3) Le droit reconnu aux citoyens canadiens par les paragraphes (1) et (2) de faire instruire leurs enfants, aux niveaux primaire et secondaire, dans la langue de la minorité francophone ou anglophone d'une province :

a) s'exerce partout dans la province où le nombre des enfants des citoyens qui ont ce droit est suffisant pour justifier à leur endroit la prestation, sur les fonds publics, de l'instruction dans la langue de la minorité;

b) comprend, lorsque le nombre de ces enfants le justifie, le droit de les faire instruire dans des établissements d'enseignement de la minorité linguistique financés sur les fonds publics.

Enforcement

Recours

Enforcement of guaranteed rights and freedoms

24. (1) Anyone whose rights or freedoms, as guaranteed by this Charter, have been infringed or denied may apply to a court of competent jurisdiction to obtain such remedy as the court considers appropriate and just in the circumstances.

Recours en cas d'atteinte aux droits et libertés

24. (1) Toute personne, victime de violation ou de négation des droits ou libertés qui lui sont garantis par la présente charte, peut s'adresser à un tribunal compétent pour obtenir la réparation que le tribunal estime convenable et juste eu égard aux circonstances.

Exclusion of evidence bringing administration of justice into disrepute

(2) Where, in proceedings under subsection (1), a court concludes that evidence was obtained in a manner that infringed or denied any rights or freedoms guaranteed by this Charter, the evidence shall be excluded if it is established that, having regard to all the circumstances, the admission of it in the proceedings would bring the administration of justice into disrepute.

Irrecevabilité d'éléments de preuve qui risqueraient de déconsidérer l'administration de la justice

(2) Lorsque, dans une instance visée au paragraphe (1), le tribunal a conclu que des éléments de preuve ont été obtenus dans des conditions qui portent atteinte aux droits ou libertés garantis par la présente charte, ces éléments de preuve sont écartés s'il est établi, eu égard aux circonstances, que leur utilisation est susceptible de déconsidérer l'administration de la justice.

General

Dispositions générales

Aboriginal rights and freedoms not affected by Charter

25. The guarantee in this Charter of certain rights and freedoms shall not be construed so as to abrogate or derogate from any aboriginal, treaty or other rights or freedoms that pertain to the aboriginal peoples of Canada including

(*a*) any rights or freedoms that have been recognized by the Royal Proclamation of October 7, 1763; and

(*b*) any rights or freedoms that may be acquired by the aboriginal peoples of Canada by way of land claims settlement.

Maintien des droits et libertés des autochtones

25. Le fait que la présente charte garantit certains droits et libertés ne porte pas atteinte aux droits ou libertés — ancestraux, issus de traités ou autres — des peuples autochtones du Canada, notamment :

a) aux droits ou libertés reconnus par la Proclamation royale du 7 octobre 1763;

b) aux droits ou libertés acquis par règlement de revendications territoriales.

Other rights and freedoms not affected by Charter

26. The guarantee in this Charter of certain rights and freedoms shall not be con-

Maintien des autres droits et libertés

26. Le fait que la présente charte garantit certains droits et libertés ne constitue pas

strued as denying the existence of any other rights or freedoms that exist in Canada.

une négation des autres droits ou libertés qui existent au Canada.

Multicultural heritage

27. This Charter shall be interpreted in a manner consistent with the preservation and enhancement of the multicultural heritage of Canadians.

27. Toute interprétation de la présente charte doit concorder avec l'objectif de promouvoir le maintien et la valorisation du patrimoine multiculturel des Canadiens.

Maintien du patrimoine culturel

Rights guaranteed equally to both sexes

28. Notwithstanding anything in this Charter, the rights and freedoms referred to in it are guaranteed equally to male and female persons.

28. Indépendamment des autres dispositions de la présente charte, les droits et libertés qui y sont mentionnés sont garantis également aux personnes des deux sexes.

Égalité de garantie des droits pour les deux sexes

Rights respecting certain schools preserved

29. Nothing in this Charter abrogates or derogates from any rights or privileges guaranteed by or under the Constitution of Canada in respect of denominational, separate or dissentient schools.

29. Les dispositions de la présente charte ne portent pas atteinte aux droits ou privilèges garantis en vertu de la Constitution du Canada concernant les écoles séparées et autres écoles confessionnelles.

Maintien des droits relatifs à certaines écoles

Application to territories and territorial authorities

30. A reference in this Charter to a province or to the legislative assembly or legislature of a province shall be deemed to include a reference to the Yukon Territory and the Northwest Territories, or to the appropriate legislative authority thereof, as the case may be.

30. Dans la présente charte, les dispositions qui visent les provinces, leur législature ou leur assemblée législative visent également le territoire du Yukon, les territoires du Nord-Ouest ou leurs autorités législatives compétentes.

Application aux territoires

Legislative powers not extended

31. Nothing in this Charter extends the legislative powers of any body or authority.

31. La présente charte n'élargit pas les compétences législatives de quelque organisme ou autorité que ce soit.

Non-élargissement des compétences législatives

Application of Charter

Application de la charte

Application of Charter

32. (1) This Charter applies

(*a*) to the Parliament and government of Canada in respect of all matters within the authority of Parliament including all matters relating to the Yukon Territory and Northwest Territories; and

(*b*) to the legislature and government of each province in respect of all matters within the authority of the legislature of each province.

32. (1) La présente charte s'applique :

a) au Parlement et au gouvernement du Canada, pour tous les domaines relevant du Parlement, y compris ceux qui concernent le territoire du Yukon et les territoires du Nord-Ouest;

b) à la législature et au gouvernement de chaque province, pour tous les domaines relevant de cette législature.

Application de la charte

Exception

(2) Notwithstanding subsection (1), section 15 shall not have effect until three years after this section comes into force.

(2) Par dérogation au paragraphe (1), l'article 15 n'a d'effet que trois ans après l'entrée en vigueur du présent article.

Restriction

Exception where express declaration

33. (1) Parliament or the legislature of a province may expressly declare in an Act of Parliament or of the legislature, as the case may be, that the Act or a provision thereof shall operate notwithstanding a provision included in section 2 or sections 7 to 15 of this Charter.

33. (1) Le Parlement ou la législature d'une province peut adopter une loi où il est expressément déclaré que celle-ci ou une de ses dispositions a effet indépendamment d'une disposition donnée de l'article 2 ou des articles 7 à 15 de la présente charte.

Dérogation par déclaration expresse

Operation of exception

(2) An Act or a provision of an Act in respect of which a declaration made under this section is in effect shall have such operation as it would have but for the provision of this Charter referred to in the declaration.

(2) La loi ou la disposition qui fait l'objet d'une déclaration conforme au présent article et en vigueur a l'effet qu'elle aurait sauf la disposition en cause de la charte.

Effet de la dérogation

Five year limitation

(3) A declaration made under subsection (1) shall cease to have effect five years after it comes into force or on such earlier date as may be specified in the declaration.

(3) La déclaration visée au paragraphe (1) cesse d'avoir effet à la date qui y est précisée ou, au plus tard, cinq ans après son entrée en vigueur.

Durée de validité

Re-enactment

(4) Parliament or a legislature of a province may re-enact a declaration made under subsection (1).

(4) Le Parlement ou une législature peut adopter de nouveau une déclaration visée au paragraphe (1).

Nouvelle adoption

Five year limitation

(5) Subsection (3) applies in respect of a re-enactment made under subsection (4).

(5) Le paragraphe (3) s'applique à toute déclaration adoptée sous le régime du paragraphe (4).

Durée de validité

Citation

Titre

Citation

34. This Part may be cited as the *Canadian Charter of Rights and Freedoms.*

34. Titre de la présente partie : *Charte canadienne des droits et libertés.*

Titre

PART II

RIGHTS OF THE ABORIGINAL PEOPLES OF CANADA

PARTIE II

DROITS DES PEUPLES AUTOCHTONES DU CANADA

Recognition of existing aboriginal and treaty rights

35. (1) The existing aboriginal and treaty rights of the aboriginal peoples of Canada are hereby recognized and affirmed.

35. (1) Les droits existants — ancestraux ou issus de traités — des peuples autochtones du Canada sont reconnus et confirmés.

Confirmation des droits existants des peuples autochtones

Definition of "aboriginal peoples of Canada"

(2) In this Act, "aboriginal peoples of Canada" includes the Indian, Inuit and Métis peoples of Canada.

(2) Dans la présente loi, «peuples autochtones du Canada» s'entend notamment des Indiens, des Inuit et des Métis du Canada.

Définition de «peuples autochtones du Canada»

PART III

EQUALIZATION AND REGIONAL DISPARITIES

PARTIE III

PÉRÉQUATION ET INÉGALITÉS RÉGIONALES

Commitment to promote equal opportunities

36. (1) Without altering the legislative authority of Parliament or of the provincial legislatures, or the rights of any of them with respect to the exercise of their legislative authority, Parliament and the legislatures, together with the government of Canada and the provincial governments, are committed to

(*a*) promoting equal opportunities for the well-being of Canadians;

(*b*) furthering economic development to reduce disparity in opportunities; and

(*c*) providing essential public services of reasonable quality to all Canadians.

36. (1) Sous réserve des compétences législatives du Parlement et des législatures et de leur droit de les exercer, le Parlement et les législatures, ainsi que les gouvernements fédéral et provinciaux, s'engagent à :

a) promouvoir l'égalité des chances de tous les Canadiens dans la recherche de leur bien-être;

b) favoriser le développement économique pour réduire l'inégalité des chances;

c) fournir à tous les Canadiens, à un niveau de qualité acceptable, les services publics essentiels.

Engagements relatifs à l'égalité des chances

Commitment respecting public services

(2) Parliament and the government of Canada are committed to the principle of making equalization payments to ensure that provincial governments have sufficient revenues to provide reasonably comparable levels of public services at reasonably comparable levels of taxation.

Engagement relatif aux services publics

(2) Le Parlement et le gouvernement du Canada prennent l'engagement de principe de faire des paiements de péréquation propres à donner aux gouvernements provinciaux des revenus suffisants pour les mettre en mesure d'assurer les services publics à un niveau de qualité et de fiscalité sensiblement comparables.

PART IV

CONSTITUTIONAL CONFERENCE

PARTIE IV

CONFÉRENCE CONSTITUTIONNELLE

Constitutional conference

37. (1) A constitutional conference composed of the Prime Minister of Canada and the first ministers of the provinces shall be convened by the Prime Minister of Canada within one year after this Part comes into force.

Conférence constitutionnelle

37. (1) Dans l'année suivant l'entrée en vigueur de la présente partie, le premier ministre du Canada convoque une conférence constitutionnelle réunissant les premiers ministres provinciaux et lui-même.

Participation of aboriginal peoples

(2) The conference convened under subsection (1) shall have included in its agenda an item respecting constitutional matters that directly affect the aboriginal peoples of Canada, including the identification and definition of the rights of those peoples to be included in the Constitution of Canada, and the Prime Minister of Canada shall invite representatives of those peoples to participate in the discussions on that item.

Participation des peuples autochtones

(2) Sont placées à l'ordre du jour de la conférence visée au paragraphe (1) les questions constitutionnelles qui intéressent directement les peuples autochtones du Canada, notamment la détermination et la définition des droits de ces peuples à inscrire dans la Constitution du Canada. Le premier ministre du Canada invite leurs représentants à participer aux travaux relatifs à ces questions.

Participation of territories

(3) The Prime Minister of Canada shall invite elected representatives of the governments of the Yukon Territory and the Northwest Territories to participate in the discussions on any item on the agenda of the conference convened under subsection (1) that, in the opinion of the Prime Minister, directly affects the Yukon Territory and the Northwest Territories.

Participation des territoires

(3) Le premier ministre du Canada invite des représentants élus des gouvernements du territoire du Yukon et des territoires du Nord-Ouest à participer aux travaux relatifs à toute question placée à l'ordre du jour de la conférence visée au paragraphe (1) et qui, selon lui, intéresse directement le territoire du Yukon et les territoires du Nord-Ouest.

PART V

PROCEDURE FOR AMENDING CONSTITUTION OF CANADA

PARTIE V

PROCÉDURE DE MODIFICATION DE LA CONSTITUTION DU CANADA

General procedure for amending Constitution of Canada

38. (1) An amendment to the Constitution of Canada may be made by proclamation issued by the Governor General under the Great Seal of Canada where so authorized by

(*a*) resolutions of the Senate and House of Commons; and

(*b*) resolutions of the legislative assemblies of at least two-thirds of the provinces

Procédure normale de modification

38. (1) La Constitution du Canada peut être modifiée par proclamation du gouverneur général sous le grand sceau du Canada, autorisée à la fois :

a) par des résolutions du Sénat et de la Chambre des communes;

b) par des résolutions des assemblées législatives d'au moins deux tiers des provinces dont la population confondue repré-

that have, in the aggregate, according to the then latest general census, at least fifty per cent of the population of all the provinces.

sente, selon le recensement général le plus récent à l'époque, au moins cinquante pour cent de la population de toutes les provinces.

Majority of members

(2) An amendment made under subsection (1) that derogates from the legislative powers, the proprietary rights or any other rights or privileges of the legislature or government of a province shall require a resolution supported by a majority of the members of each of the Senate, the House of Commons and the legislative assemblies required under subsection (1).

(2) Une modification faite conformément au paragraphe (1) mais dérogatoire à la compétence législative, aux droits de propriété ou à tous autres droits ou privilèges d'une législature ou d'un gouvernement provincial exige une résolution adoptée à la majorité des sénateurs, des députés fédéraux et des députés de chacune des assemblées législatives du nombre requis de provinces.

Majorité simple

Expression of dissent

(3) An amendment referred to in subsection (2) shall not have effect in a province the legislative assembly of which has expressed its dissent thereto by resolution supported by a majority of its members prior to the issue of the proclamation to which the amendment relates unless that legislative assembly, subsequently, by resolution supported by a majority of its members, revokes its dissent and authorizes the amendment.

(3) La modification visée au paragraphe (2) est sans effet dans une province dont l'assemblée législative a, avant la prise de la proclamation, exprimé son désaccord par une résolution adoptée à la majorité des députés, sauf si cette assemblée, par résolution également adoptée à la majorité, revient sur son désaccord et autorise la modification.

Désaccord

Revocation of dissent

(4) A resolution of dissent made for the purposes of subsection (3) may be revoked at any time before or after the issue of the proclamation to which it relates.

(4) La résolution de désaccord visée au paragraphe (3) peut être révoquée à tout moment, indépendamment de la date de la proclamation à laquelle elle se rapporte.

Levée du désaccord

Restriction on proclamation

39. (1) A proclamation shall not be issued under subsection 38(1) before the expiration of one year from the adoption of the resolution initiating the amendment procedure thereunder, unless the legislative assembly of each province has previously adopted a resolution of assent or dissent.

39. (1) La proclamation visée au paragraphe 38(1) ne peut être prise dans l'année suivant l'adoption de la résolution à l'origine de la procédure de modification que si l'assemblée législative de chaque province a préalablement adopté une résolution d'agrément ou de désaccord.

Restriction

Idem

(2) A proclamation shall not be issued under subsection 38(1) after the expiration of three years from the adoption of the resolution initiating the amendment procedure thereunder.

(2) La proclamation visée au paragraphe 38(1) ne peut être prise que dans les trois ans suivant l'adoption de la résolution à l'origine de la procédure de modification.

Idem

Compensation

40. Where an amendment is made under subsection 38(1) that transfers provincial legislative powers relating to education or other cultural matters from provincial legislatures to Parliament, Canada shall provide reasonable compensation to any province to which the amendment does not apply.

40. Le Canada fournit une juste compensation aux provinces auxquelles ne s'applique pas une modification faite conformément au paragraphe 38(1) et relative, en matière d'éducation ou dans d'autres domaines culturels, à un transfert de compétences législatives provinciales au Parlement.

Compensation

Amendment by unanimous consent

41. An amendment to the Constitution of Canada in relation to the following matters

41. Toute modification de la Constitution du Canada portant sur les questions suivan-

Consentement unanime

may be made by proclamation issued by the Governor General under the Great Seal of Canada only where authorized by resolutions of the Senate and House of Commons and of the legislative assembly of each province:

(*a*) the office of the Queen, the Governor General and the Lieutenant Governor of a province;

(*b*) the right of a province to a number of members in the House of Commons not less than the number of Senators by which the province is entitled to be represented at the time this Part comes into force;

(*c*) subject to section 43, the use of the English or the French language;

(*d*) the composition of the Supreme Court of Canada; and

(*e*) an amendment to this Part.

Amendment by general procedure

42. (1) An amendment to the Constitution of Canada in relation to the following matters may be made only in accordance with subsection 38(1):

(*a*) the principle of proportionate representation of the provinces in the House of Commons prescribed by the Constitution of Canada;

(*b*) the powers of the Senate and the method of selecting Senators;

(*c*) the number of members by which a province is entitled to be represented in the Senate and the residence qualifications of Senators;

(*d*) subject to paragraph 41(*d*), the Supreme Court of Canada;

(*e*) the extension of existing provinces into the territories; and

(*f*) notwithstanding any other law or practice, the establishment of new provinces.

Exception

(2) Subsections 38(2) to (4) do not apply in respect of amendments in relation to matters referred to in subsection (1).

Amendment of provisions relating to some but not all provinces

43. An amendment to the Constitution of Canada in relation to any provision that applies to one or more, but not all, provinces, including

(*a*) any alteration to boundaries between provinces, and

tes se fait par proclamation du gouverneur général sous le grand sceau du Canada, autorisée par des résolutions du Sénat, de la Chambre des communes et de l'assemblée législative de chaque province :

a) la charge de Reine, celle de gouverneur général et celle de lieutenant-gouverneur;

b) le droit d'une province d'avoir à la Chambre des communes un nombre de députés au moins égal à celui des sénateurs par lesquels elle est habilitée à être représentée lors de l'entrée en vigueur de la présente partie;

c) sous réserve de l'article 43, l'usage du français ou de l'anglais;

d) la composition de la Cour suprême du Canada;

e) la modification de la présente partie.

Procédure normale de modification

42. (1) Toute modification de la Constitution du Canada portant sur les questions suivantes se fait conformément au paragraphe 38(1) :

a) le principe de la représentation proportionnelle des provinces à la Chambre des communes prévu par la Constitution du Canada;

b) les pouvoirs du Sénat et le mode de sélection des sénateurs;

c) le nombre des sénateurs par lesquels une province est habilitée à être représentée et les conditions de résidence qu'ils doivent remplir;

d) sous réserve de l'alinéa 41*d*), la Cour suprême du Canada;

e) le rattachement aux provinces existantes de tout ou partie des territoires;

f) par dérogation à toute autre loi ou usage, la création de provinces.

Exception

(2) Les paragraphes 38(2) à (4) ne s'appliquent pas aux questions mentionnées au paragraphe (1).

Modification à l'égard de certaines provinces

43. Les dispositions de la Constitution du Canada applicables à certaines provinces seulement ne peuvent être modifiées que par proclamation du gouverneur général sous le grand sceau du Canada, autorisée par des résolutions du Sénat, de la Chambre des

(*b*) any amendment to any provision that relates to the use of the English or the French language within a province,

may be made by proclamation issued by the Governor General under the Great Seal of Canada only where so authorized by resolutions of the Senate and House of Commons and of the legislative assembly of each province to which the amendment applies.

communes et de l'assemblée législative de chaque province concernée. Le présent article s'applique notamment :

a) aux changements du tracé des frontières interprovinciales;

b) aux modifications des dispositions relatives à l'usage du français ou de l'anglais dans une province.

Amendments by Parliament

44. Subject to sections 41 and 42, Parliament may exclusively make laws amending the Constitution of Canada in relation to the executive government of Canada or the Senate and House of Commons.

44. Sous réserve des articles 41 et 42, le Parlement a compétence exclusive pour modifier les dispositions de la Constitution du Canada relatives au pouvoir exécutif fédéral, au Sénat ou à la Chambre des communes.

Modification par le Parlement

Amendments by provincial legislatures

45. Subject to section 41, the legislature of each province may exclusively make laws amending the constitution of the province.

45. Sous réserve de l'article 41, une législature a compétence exclusive pour modifier la constitution de sa province.

Modification par les législatures

Initiation of amendment procedures

46. (1) The procedures for amendment under sections 38, 41, 42 and 43 may be initiated either by the Senate or the House of Commons or by the legislative assembly of a province.

46. (1) L'initiative des procédures de modification visées aux articles 38, 41, 42 et 43 appartient au Sénat, à la Chambre des communes ou à une assemblée législative.

Initiative des procédures

Revocation of authorization

(2) A resolution of assent made for the purposes of this Part may be revoked at any time before the issue of a proclamation authorized by it.

(2) Une résolution d'agrément adoptée dans le cadre de la présente partie peut être révoquée à tout moment avant la date de la proclamation qu'elle autorise.

Possibilité de révocation

Amendments without Senate resolution

47. (1) An amendment to the Constitution of Canada made by proclamation under section 38, 41, 42 or 43 may be made without a resolution of the Senate authorizing the issue of the proclamation if, within one hundred and eighty days after the adoption by the House of Commons of a resolution authorizing its issue, the Senate has not adopted such a resolution and if, at any time after the expiration of that period, the House of Commons again adopts the resolution.

47. (1) Dans les cas visés à l'article 38, 41, 42 ou 43, il peut être passé outre au défaut d'autorisation du Sénat si celui-ci n'a pas adopté de résolution dans un délai de cent quatre-vingts jours suivant l'adoption de celle de la Chambre des communes et si cette dernière, après l'expiration du délai, adopte une nouvelle résolution dans le même sens.

Modification sans résolution du Sénat

Computation of period

(2) Any period when Parliament is prorogued or dissolved shall not be counted in computing the one hundred and eighty day period referred to in subsection (1).

(2) Dans la computation du délai visé au paragraphe (1), ne sont pas comptées les périodes pendant lesquelles le Parlement est prorogé ou dissous.

Computation du délai

Advice to issue proclamation

48. The Queen's Privy Council for Canada shall advise the Governor General to issue a proclamation under this Part forthwith on the adoption of the resolutions

48. Le Conseil privé de la Reine pour le Canada demande au gouverneur général de prendre, conformément à la présente partie, une proclamation dès l'adoption des résolu-

Demande de proclamation

required for an amendment made by proclamation under this Part.

Constitutional conference

49. A constitutional conference composed of the Prime Minister of Canada and the first ministers of the provinces shall be convened by the Prime Minister of Canada within fifteen years after this Part comes into force to review the provisions of this Part.

tions prévues par cette partie pour une modification par proclamation.

Conférence constitutionnelle

49. Dans les quinze ans suivant l'entrée en vigueur de la présente partie, le premier ministre du Canada convoque une conférence constitutionnelle réunissant les premiers ministres provinciaux et lui-même, en vue du réexamen des dispositions de cette partie.

PART VI

AMENDMENT TO THE CONSTITUTION ACT, 1867

PARTIE VI

MODIFICATION DE LA LOI CONSTITUTIONNELLE DE 1867

Amendment to *Constitution Act, 1867*

50. The *Constitution Act, 1867* (formerly named the *British North America Act, 1867*) is amended by adding thereto, immediately after section 92 thereof, the following heading and section:

Modification de la *Loi constitutionnelle de 1867*

50. La *Loi constitutionnelle de 1867* (antérieurement désignée sous le titre : *Acte de l'Amérique du Nord britannique, 1867*) est modifiée par insertion, après l'article 92, de la rubrique et de l'article suivants :

"Non-Renewable Natural Resources, Forestry Resources and Electrical Energy

«Ressources naturelles non renouvelables, ressources forestières et énergie électrique

Laws respecting non-renewable natural resources, forestry resources and electrical energy

92A. (1) In each province, the legislature may exclusively make laws in relation to

(*a*) exploration for non-renewable natural resources in the province;

(*b*) development, conservation and management of non-renewable natural resources and forestry resources in the province, including laws in relation to the rate of primary production therefrom; and

(*c*) development, conservation and management of sites and facilities in the province for the generation and production of electrical energy.

Compétence provinciale

92A. (1) La législature de chaque province a compétence exclusive pour légiférer dans les domaines suivants :

a) prospection des ressources naturelles non renouvelables de la province;

b) exploitation, conservation et gestion des ressources naturelles non renouvelables et des ressources forestières de la province, y compris leur rythme de production primaire;

c) aménagement, conservation et gestion des emplacements et des installations de la province destinés à la production d'énergie électrique.

Export from provinces of resources

(2) In each province, the legislature may make laws in relation to the export from the province to another part of Canada of the primary production from non-renewable natural resources and forestry resources in the province and the production from facilities in the province for the generation of electrical energy, but such laws may not authorize or provide for discrimination in prices or in supplies exported to another part of Canada.

Exportation hors des provinces

(2) La législature de chaque province a compétence pour légiférer en ce qui concerne l'exportation, hors de la province, à destination d'une autre partie du Canada, de la production primaire tirée des ressources naturelles non renouvelables et des ressources forestières de la province, ainsi que de la production d'énergie électrique de la province, sous réserve de ne pas adopter de lois autorisant ou prévoyant des disparités de prix ou des disparités dans les exportations destinées à une autre partie du Canada.

Authority of Parliament

(3) Nothing in subsection (2) derogates from the authority of Parliament to enact laws in relation to the matters referred to in that subsection and, where such a law of Parliament and a law of a province conflict, the law of Parliament prevails to the extent of the conflict.

Pouvoir du Parlement

(3) Le paragraphe (2) ne porte pas atteinte au pouvoir du Parlement de légiférer dans les domaines visés à ce paragraphe, les dispositions d'une loi du Parlement adoptée dans ces domaines l'emportant sur les dispositions incompatibles d'une loi provinciale.

Taxation of resources

(4) In each province, the legislature may make laws in relation to the raising of money by any mode or system of taxation in respect of

(*a*) non-renewable natural resources and forestry resources in the province and the primary production therefrom, and

(*b*) sites and facilities in the province for the generation of electrical energy and the production therefrom,

whether or not such production is exported in whole or in part from the province, but such laws may not authorize or provide for taxation that differentiates between production exported to another part of Canada and production not exported from the province.

Taxation des ressources

(4) La législature de chaque province a compétence pour prélever des sommes d'argent par tout mode ou système de taxation :

a) des ressources naturelles non renouvelables et des ressources forestières de la province, ainsi que de la production primaire qui en est tirée;

b) des emplacements et des installations de la province destinés à la production d'énergie électrique, ainsi que de cette production même.

Cette compétence peut s'exercer indépendamment du fait que la production en cause soit ou non, en totalité ou en partie, exportée hors de la province, mais les lois adoptées dans ces domaines ne peuvent autoriser ou prévoir une taxation qui établisse une distinction entre la production exportée à destination d'une autre partie du Canada et la production non exportée hors de la province.

"Primary production"

(5) The expression "primary production" has the meaning assigned by the Sixth Schedule.

«Production primaire»

(5) L'expression «production primaire» a le sens qui lui est donné dans la sixième annexe.

Existing powers or rights

(6) Nothing in subsections (1) to (5) derogates from any powers or rights that a legislature or government of a province had immediately before the coming into force of this section."

Pouvoirs ou droits existants

(6) Les paragraphes (1) à (5) ne portent pas atteinte aux pouvoirs ou droits détenus par la législature ou le gouvernement d'une province lors de l'entrée en vigueur du présent article.»

Idem

51. The said Act is further amended by adding thereto the following Schedule:

Idem

51. Ladite loi est en outre modifiée par adjonction de l'annexe suivante :

"THE SIXTH SCHEDULE

Primary Production from Non-Renewable Natural Resources and Forestry Resources

1. For the purposes of section 92A of this Act,

«SIXIÈME ANNEXE

Production primaire tirée des ressources naturelles non renouvelables et des ressources forestières

1. Pour l'application de l'article 92A :

(*a*) production from a non-renewable natural resource is primary production therefrom if

(i) it is in the form in which it exists upon its recovery or severance from its natural state, or

(ii) it is a product resulting from processing or refining the resource, and is not a manufactured product or a product resulting from refining crude oil, refining upgraded heavy crude oil, refining gases or liquids derived from coal or refining a synthetic equivalent of crude oil; and

(*b*) production from a forestry resource is primary production therefrom if it consists of sawlogs, poles, lumber, wood chips, sawdust or any other primary wood product, or wood pulp, and is not a product manufactured from wood."

a) on entend par production primaire tirée d'une ressource naturelle non renouvelable :

(i) soit le produit qui se présente sous la même forme que lors de son extraction du milieu naturel,

(ii) soit le produit non manufacturé de la transformation, du raffinage ou de l'affinage d'une ressource, à l'exception du produit du raffinage du pétrole brut, du raffinage du pétrole brut lourd amélioré, du raffinage des gaz ou des liquides dérivés du charbon ou du raffinage d'un équivalent synthétique du pétrole brut;

b) on entend par production primaire tirée d'une ressource forestière la production constituée de billots, de poteaux, de bois d'œuvre, de copeaux, de sciure ou d'autre produit primaire du bois, ou de pâte de bois, à l'exception d'un produit manufacturé en bois.»

PART VII

GENERAL

Primacy of Constitution of Canada

52. (1) The Constitution of Canada is the supreme law of Canada, and any law that is inconsistent with the provisions of the Constitution is, to the extent of the inconsistency, of no force or effect.

Constitution of Canada

(2) The Constitution of Canada includes

(*a*) the *Canada Act*, including this Act;

(*b*) the Acts and orders referred to in Schedule I; and

(*c*) any amendment to any Act or order referred to in paragraph (*a*) or (*b*).

Amendments to Constitution of Canada

(3) Amendments to the Constitution of Canada shall be made only in accordance with the authority contained in the Constitution of Canada.

Repeals and new names

53. (1) The enactments referred to in Column I of Schedule I are hereby repealed or amended to the extent indicated in Column II thereof and, unless repealed, shall continue as law in Canada under the names set out in Column III thereof.

PARTIE VII

DISPOSITIONS GÉNÉRALES

Primauté de la Constitution du Canada

52. (1) La Constitution du Canada est la loi suprême du Canada; elle rend inopérantes les dispositions incompatibles de toute autre règle de droit.

Constitution du Canada

(2) La Constitution du Canada comprend :

a) la *Loi sur le Canada*, y compris la présente loi;

b) les textes législatifs et les décrets figurant à l'annexe I;

c) les modifications des textes législatifs et des décrets mentionnés aux alinéas *a*) ou *b*).

Modification

(3) La Constitution du Canada ne peut être modifiée que conformément aux pouvoirs conférés par elle.

Abrogation et nouveaux titres

53. (1) Les textes législatifs et les décrets énumérés à la colonne I de l'annexe I sont abrogés ou modifiés dans la mesure indiquée à la colonne II. Sauf abrogation, ils restent en vigueur en tant que lois du Canada sous les titres mentionnés à la colonne III.

Consequential amendments

(2) Every enactment, except the *Canada Act*, that refers to an enactment referred to in Schedule I by the name in Column I thereof is hereby amended by substituting for that name the corresponding name in Column III thereof, and any British North America Act not referred to in Schedule I may be cited as the *Constitution Act* followed by the year and number, if any, of its enactment.

Modifications corrélatives

(2) Tout texte législatif ou réglementaire, sauf la *Loi sur le Canada*, qui fait mention d'un texte législatif ou décret figurant à l'annexe I par le titre indiqué à la colonne I est modifié par substitution à ce titre du titre correspondant mentionné à la colonne III; tout Acte de l'Amérique du Nord britannique non mentionné à l'annexe I peut être cité sous le titre de *Loi constitutionnelle* suivi de l'indication de l'année de son adoption et éventuellement de son numéro.

Repeal and consequential amendments

54. Part IV is repealed on the day that is one year after this Part comes into force and this section may be repealed and this Act renumbered, consequential upon the repeal of Part IV and this section, by proclamation issued by the Governor General under the Great Seal of Canada.

Abrogation et modifications qui en découlent

54. La partie IV est abrogée un an après l'entrée en vigueur de la présente partie et le gouverneur général peut, par proclamation sous le grand sceau du Canada, abroger le présent article et apporter en conséquence de cette double abrogation les aménagements qui s'imposent à la présente loi.

French version of Constitution of Canada

55. A French version of the portions of the Constitution of Canada referred to in Schedule I shall be prepared by the Minister of Justice of Canada as expeditiously as possible and, when any portion thereof sufficient to warrant action being taken has been so prepared, it shall be put forward for enactment by proclamation issued by the Governor General under the Great Seal of Canada pursuant to the procedure then applicable to an amendment of the same provisions of the Constitution of Canada.

Version française de certains textes constitutionnels

55. Le ministre de la Justice du Canada est chargé de rédiger, dans les meilleurs délais, la version française des parties de la Constitution du Canada qui figurent à l'annexe I; toute partie suffisamment importante est, dès qu'elle est prête, déposée pour adoption par proclamation du gouverneur général sous le grand sceau du Canada, conformément à la procédure applicable à l'époque à la modification des dispositions constitutionnelles qu'elle contient.

English and French versions of certain constitutional texts

56. Where any portion of the Constitution of Canada has been or is enacted in English and French or where a French version of any portion of the Constitution is enacted pursuant to section 55, the English and French versions of that portion of the Constitution are equally authoritative.

Versions française et anglaise de certains textes constitutionnels

56. Les versions française et anglaise des parties de la Constitution du Canada adoptées dans ces deux langues ont également force de loi. En outre, ont également force de loi, dès l'adoption, dans le cadre de l'article 55, d'une partie de la version française de la Constitution, cette partie et la version anglaise correspondante.

English and French versions of this Act

57. The English and French versions of this Act are equally authoritative.

Versions française et anglaise de la présente loi

57. Les versions française et anglaise de la présente loi ont également force de loi.

Commencement

58. Subject to section 59, this Act shall come into force on a day to be fixed by proclamation issued by the Queen or the Governor General under the Great Seal of Canada.

Entrée en vigueur

58. Sous réserve de l'article 59, la présente loi entre en vigueur à la date fixée par proclamation de la Reine ou du gouverneur général sous le grand sceau du Canada.

Commencement of paragraph 23(1)(*a*) in respect of Quebec

59. (1) Paragraph 23(1)(*a*) shall come into force in respect of Quebec on a day to be

Entrée en vigueur de l'alinéa 23(1)*a*) pour le Québec

59. (1) L'alinéa 23(1)*a*) entre en vigueur pour le Québec à la date fixée par proclama-

fixed by proclamation issued by the Queen or the Governor General under the Great Seal of Canada.

tion de la Reine ou du gouverneur général sous le grand sceau du Canada.

Authorization of Quebec

(2) A proclamation under subsection (1) shall be issued only where authorized by the legislative assembly or government of Quebec.

(2) La proclamation visée au paragraphe (1) ne peut être prise qu'après autorisation de l'assemblée législative ou du gouvernement du Québec.

Autorisation du Québec

Repeal of this section

(3) This section may be repealed on the day paragraph 23(1)(*a*) comes into force in respect of Quebec and this Act amended and renumbered, consequential upon the repeal of this section, by proclamation issued by the Queen or the Governor General under the Great Seal of Canada.

(3) Le présent article peut être abrogé à la date d'entrée en vigueur de l'alinéa 23(1)*a*) pour le Québec, et la présente loi faire l'objet, dès cette abrogation, des modifications et changements de numérotation qui en découlent, par proclamation de la Reine ou du gouverneur général sous le grand sceau du Canada.

Abrogation du présent article

Short title and citations

60. This Act may be cited as the *Constitution Act, 1981*, and the Constitution Acts 1867 to 1975 (No. 2) and this Act may be cited together as the *Constitution Acts, 1867 to 1981*.

60. Titre abrégé de la présente annexe : *Loi constitutionnelle de 1981*; titre commun des lois constitutionnelles de 1867 à 1975 (nº 2) et de la présente loi : *Lois constitutionnelles de 1867 à 1981*.

Titres

SCHEDULE I

to the

CONSTITUTION ACT, 1981

MODERNIZATION OF THE CONSTITUTION

Item	Column I Act Affected	Column II Amendment	Column III New Name
1.	British North America Act, 1867, 30-31 Vict., c. 3 (U.K.)	(1) Section 1 is repealed and the following substituted therefor: "1. This Act may be cited as the *Constitution Act, 1867*." (2) Section 20 is repealed. (3) Class 1 of section 91 is repealed. (4) Class 1 of section 92 is repealed.	Constitution Act, 1867
2.	An Act to amend and continue the Act 32-33 Victoria chapter 3; and to establish and provide for the Government of the Province of Manitoba, 1870, 33 Vict., c. 3 (Can.)	(1) The long title is repealed and the following substituted therefor: "*Manitoba Act, 1870.*" (2) Section 20 is repealed.	Manitoba Act, 1870
3.	Order of Her Majesty in Council admitting Rupert's Land and the North-Western Territory into the union, dated the 23rd day of June, 1870		Rupert's Land and North-Western Territory Order
4.	Order of Her Majesty in Council admitting British Columbia into the Union, dated the 16th day of May, 1871		British Columbia Terms of Union
5.	British North America Act, 1871, 34-35 Vict., c. 28 (U.K.)	Section 1 is repealed and the following substituted therefor: "1. This Act may be cited as the *Constitution Act, 1871*."	Constitution Act, 1871
6.	Order of Her Majesty in Council admitting Prince Edward Island into the Union, dated the 26th day of June, 1873		Prince Edward Island Terms of Union
7.	Parliament of Canada Act, 1875, 38-39 Vict., c. 38 (U.K.)		Parliament of Canada Act, 1875
8.	Order of Her Majesty in Council admitting all British possessions and Territories in North America and islands adjacent thereto into the Union, dated the 31st day of July, 1880		Adjacent Territories Order

ANNEXE I

LOI CONSTITUTIONNELLE DE 1981

ACTUALISATION DE LA CONSTITUTION

	Colonne I Loi visée	Colonne II Modification	Colonne III Nouveau titre
1.	Acte de l'Amérique du Nord britannique, 1867, 30-31 Vict., c. 3 (R.-U.)	(1) L'article 1 est abrogé et remplacé par ce qui suit : «1. Titre abrégé : *Loi constitutionnelle de 1867*.» (2) L'article 20 est abrogé. (3) La catégorie 1 de l'article 91 est abrogée. (4) La catégorie 1 de l'article 92 est abrogée.	Loi constitutionnelle de 1867
2.	Acte pour amender et continuer l'acte trente-deux et trente-trois Victoria, chapitre trois, et pour établir et constituer le gouvernement de la province de Manitoba, 1870, 33 Vict., c. 3 (Canada)	(1) Le titre complet est abrogé et remplacé par ce qui suit : «*Loi de 1870 sur le Manitoba*.» (2) L'article 20 est abrogé.	Loi de 1870 sur le Manitoba
3.	Arrêté en conseil de Sa Majesté admettant la Terre de Rupert et le Territoire du Nord-Ouest, en date du 23 juin 1870		Décret en conseil sur la terre de Rupert et le territoire du Nord-Ouest
4.	Arrêté en conseil de Sa Majesté admettant la Colombie-Britannique, en date du 16 mai 1871		Conditions de l'adhésion de la Colombie-Britannique
5.	Acte de l'Amérique du Nord britannique, 1871, 34-35 Vict., c. 28 (R.-U.)	L'article 1 est abrogé et remplacé par ce qui suit : «1. Titre abrégé : *Loi constitutionnelle de 1871*.»	Loi constitutionnelle de 1871
6.	Arrêté en conseil de Sa Majesté admettant l'Île-du-Prince-Édouard, en date du 26 juin 1873		Conditions de l'adhésion de l'Île-du-Prince-Édouard
7.	Acte du Parlement du Canada, 1875, 38-39 Vict., c. 38 (R.-U.)		Loi de 1875 sur le Parlement du Canada
8.	Arrêté en conseil de Sa Majesté admettant dans l'Union tous les territoires et possessions britanniques dans l'Amérique du Nord, et les îles adjacentes à ces territoires et possessions, en date du 31 juillet 1880		Décret en conseil sur les territoires adjacents

SCHEDULE I

to the

CONSTITUTION ACT, 1981—*Continued*

Item	Column I Act Affected	Column II Amendment	Column III New Name
9.	British North America Act, 1886, 49-50 Vict., c. 35 (U.K.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Constitution Act, 1886*."	Constitution Act, 1886
10.	Canada (Ontario Boundary) Act, 1889, 52-53 Vict., c. 28 (U.K.)		Canada (Ontario Boundary) Act, 1889
11.	Canadian Speaker (Appointment of Deputy) Act, 1895, 2nd Sess., 59 Vict., c. 3 (U.K.)	The Act is repealed.	
12.	The Alberta Act, 1905, 4-5 Edw. VII, c. 3 (Can.)		Alberta Act
13.	The Saskatchewan Act, 1905, 4-5 Edw. VII, c. 42 (Can.)		Saskatchewan Act
14.	British North America Act, 1907, 7 Edw. VII, c. 11 (U.K.)	Section 2 is repealed and the following substituted therefor: "2. This Act may be cited as the *Constitution Act, 1907*."	Constitution Act, 1907
15.	British North America Act, 1915, 5-6 Geo. V, c. 45 (U.K.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Constitution Act, 1915*."	Constitution Act, 1915
16.	British North America Act, 1930, 20-21 Geo. V, c. 26 (U.K.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Constitution Act, 1930*."	Constitution Act, 1930
17.	Statute of Westminster, 1931, 22 Geo. V, c. 4 (U.K.)	In so far as they apply to Canada, (*a*) section 4 is repealed; and (*b*) subsection 7(1) is repealed.	Statute of Westminster, 1931
18.	British North America Act, 1940, 3-4 Geo. VI, c. 36 (U.K.)	Section 2 is repealed and the following substituted therefor: "2. This Act may be cited as the *Constitution Act, 1940*."	Constitution Act, 1940
19.	British North America Act, 1943, 6-7 Geo. VI, c. 30 (U.K.)	The Act is repealed.	

ANNEXE I (*suite*)

LOI CONSTITUTIONNELLE DE 1981

	Colonne I Loi visée	Colonne II Modification	Colonne III Nouveau titre
9.	Acte de l'Amérique du Nord britannique, 1886, 49-50 Vict., c. 35 (R.-U.)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi constitutionnelle de 1886.*»	Loi constitutionnelle de 1886
10.	Acte du Canada (limites d'Ontario) 1889, 52-53 Vict., c. 28 (R.-U.)		Loi de 1889 sur le Canada (frontières de l'Ontario)
11.	Acte concernant l'Orateur canadien (nomination d'un suppléant) 1895, 2e session, 59 Vict., c. 3 (R.-U.)	La loi est abrogée.	
12.	Acte de l'Alberta, 1905, 4-5 Ed. VII, c. 3 (Canada)		Loi sur l'Alberta
13.	Acte de la Saskatchewan, 1905, 4-5 Ed. VII, c. 42 (Canada)		Loi sur la Saskatchewan
14.	Acte de l'Amérique du Nord britannique, 1907, 7 Ed. VII, c. 11 (R.-U.)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé : *Loi constitutionnelle de 1907.*»	Loi constitutionnelle de 1907
15.	Acte de l'Amérique du Nord britannique, 1915, 5-6 Geo. V, c. 45 (R.-U.)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi constitutionnelle de 1915.*»	Loi constitutionnelle de 1915
16.	Acte de l'Amérique du Nord britannique, 1930, 20-21 Geo. V, c. 26 (R.-U.)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi constitutionnelle de 1930.*»	Loi constitutionnelle de 1930
17.	Statut de Westminster, 1931, 22 Geo. V, c. 4 (R.-U.)	Dans la mesure où ils s'appliquent au Canada : *a*) l'article 4 est abrogé; *b*) le paragraphe 7(1) est abrogé.	Statut de Westminster de 1931
18.	Acte de l'Amérique du Nord britannique, 1940, 3-4 Geo. VI, c. 36 (R.-U.)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé : *Loi constitutionnelle de 1940.*»	Loi constitutionnelle de 1940
19.	Acte de l'Amérique du Nord britannique, 1943, 6-7 Geo. VI, c. 30 (R.-U.)	La loi est abrogée.	

SCHEDULE I

to the

CONSTITUTION ACT, 1981—*Continued*

Item	Column I Act Affected	Column II Amendment	Column III New Name
20.	British North America Act, 1946, 9-10 Geo. VI, c. 63 (U.K.)	The Act is repealed.	
21.	British North America Act, 1949, 12-13 Geo. VI, c. 22 (U.K.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Newfoundland Act*."	Newfoundland Act
22.	British North America (No. 2) Act, 1949, 13 Geo. VI, c. 81 (U.K.)	The Act is repealed.	
23.	British North America Act, 1951, 14-15 Geo. VI, c. 32 (U.K.)	The Act is repealed.	
24.	British North America Act, 1952, 1 Eliz. II, c. 15 (Can.)	The Act is repealed.	
25.	British North America Act, 1960, 9 Eliz. II, c. 2 (U.K.)	Section 2 is repealed and the following substituted therefor: "2. This Act may be cited as the *Constitution Act, 1960*."	Constitution Act, 1960
26.	British North America Act, 1964, 12-13 Eliz. II, c. 73 (U.K.)	Section 2 is repealed and the following substituted therefor: "2. This Act may be cited as the *Constitution Act, 1964*."	Constitution Act, 1964
27.	British North America Act, 1965, 14 Eliz. II, c. 4, Part I (Can.)	Section 2 is repealed and the following substituted therefor: "2. This Part may be cited as the *Constitution Act, 1965*."	Constitution Act, 1965
28.	British North America Act, 1974, 23 Eliz. II, c. 13, Part I (Can.)	Section 3, as amended by 25-26 Eliz. II, c. 28, s. 38(1) (Can.), is repealed and the following substituted therefor: "3. This Part may be cited as the *Constitution Act, 1974*."	Constitution Act, 1974

ANNEXE I (*suite*)

LOI CONSTITUTIONNELLE DE 1981

	Colonne I Loi visée	Colonne II Modification	Colonne III Nouveau titre
20.	Acte de l'Amérique du Nord britannique, 1946, 9-10 Geo. VI, c. 63 (R.-U.)	La loi est abrogée.	
21.	Acte de l'Amérique du Nord britannique, 1949, 12-13 Geo. VI, c. 22 (R.-U.)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi sur Terre-Neuve.*»	Loi sur Terre-Neuve
22.	Acte de l'Amérique du Nord britannique (N° 2), 1949, 13 Geo. VI, c. 81 (R.-U.)	La loi est abrogée.	
23.	Acte de l'Amérique du Nord britannique, 1951, 14-15 Geo. VI, c. 32 (R.-U.)	La loi est abrogée.	
24.	Acte de l'Amérique du Nord britannique, 1952, 1 Eliz. II, c. 15 (Canada)	La loi est abrogée.	
25.	Acte de l'Amérique du Nord britannique, 1960, 9 Eliz. II, c. 2 (R.-U.)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé : *Loi constitutionnelle de 1960.*»	Loi constitutionnelle de 1960
26.	Acte de l'Amérique du Nord britannique, 1964, 12-13 Eliz. II, c. 73 (R.-U.)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé : *Loi constitutionnelle de 1964.*»	Loi constitutionnelle de 1964
27.	Acte de l'Amérique du Nord britannique, 1965, 14 Eliz. II, c. 4, Partie I (Canada)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé de la présente partie : *Loi constitutionnelle de 1965.*»	Loi constitutionnelle de 1965
28.	Acte de l'Amérique du Nord britannique, 1974, 23 Eliz. II, c. 13, Partie I (Canada)	L'article 3, modifié par le paragraphe 38(1) de la loi 25-26 Elizabeth II, c. 28 (Canada), est abrogé et remplacé par ce qui suit : «3. Titre abrégé de la présente partie : *Loi constitutionnelle de 1974.*»	Loi constitutionnelle de 1974

SCHEDULE I

to the

CONSTITUTION ACT, 1981—*Concluded*

Item	Column I Act Affected	Column II Amendment	Column III New Name
29.	British North America Act, 1975, 23-24 Eliz. II, c. 28, Part I (Can.)	Section 3, as amended by 25-26 Eliz. II, c. 28, s. 31 (Can.), is repealed and the following substituted therefor: "3. This Part may be cited as the *Constitution Act (No. 1), 1975*."	Constitution Act (No. 1), 1975
30.	British North America Act (No. 2), 1975, 23-24 Eliz. II, c. 53 (Can.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Constitution Act (No. 2), 1975*."	Constitution Act (No. 2), 1975

And on the amendment of Mr. Epp, seconded by Miss MacDonald,—That the proposed *Constitution Act 1981* be amended by striking out Section 40 and substituting the following therefor:

"40. In the event that a province dissents from an amendment conferring legislative jurisdiction on Parliament, the Government of Canada shall provide reasonable compensation to the government of that province, taking into account the *per capita* costs to exercise that jurisdiction in the provinces which have approved the amendment."

And on the amendment to the amendment of Mr. Broadbent, seconded by Mr. Deans,—That the amendment be amended by striking out, in the first line, the words "a province" and substituting the words "the province of Québec".

ANNEXE I (*fin*)

LOI CONSTITUTIONNELLE DE 1981

	Colonne I Loi visée	Colonne II Modification	Colonne III Nouveau titre
29.	Acte de l'Amérique du Nord britannique, 1975, 23-24 Eliz. II, c. 28, Partie I (Canada)	L'article 3, modifié par l'article 31 de la loi 25-26 Elizabeth II, c. 28 (Canada), est abrogé et remplacé par ce qui suit : «3. Titre abrégé de la présente partie : *Loi constitutionnelle nº 1 de 1975.*»	Loi constitutionnelle nº 1 de 1975
30.	Acte de l'Amérique du Nord britannique nº 2, 1975, 23-24 Eliz. II, c. 53 (Canada)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi constitutionnelle nº 2 de 1975.*»	Loi constitutionnelle nº 2 de 1975

Sur l'amendement de M. Epp, appuyé par M^lle^ MacDonald,—Qu'on modifie le projet de *Loi constitutionnelle de 1981* en retranchant l'article 40 et en le remplaçant par ce qui suit:

«40. Si une province n'est pas d'accord sur une modification qui donne compétence législative au Parlement, le gouvernement du Canada doit indemniser raisonnablement le gouvernement de cette province, compte tenu du coût *per capita* de l'exercice de cette compétence dans les provinces qui ont approuvé la modification.»

Et sur le sous-amendement de M. Broadbent, appuyé par M. Deans,—Qu'on modifie l'amendement, à la première ligne, en retranchant les mots «une province» et en les remplaçant par les mots «la province de Québec».

[*Translation*]

Mr. Arthur Portelance (Gamelin): Madam Speaker, although it may seem that all has been said that could be said about the Constitution and the draft resolution before the House, I feel it is important at this stage in the debate to recall the context of our representation and to analyse again some of the aspects of the decision we are about to make. Therefore, Mr. Speaker, I shall go back to the objectives that guided the government in its decision to proceed with the patriation of the Constitution, because I feel it is of the utmost importance that Canadians should remember what those objectives were.

I shall also touch on some aspects of the contents of our resolution, including the Canadian Charter of Rights and Freedoms, and, more specifically, on how they affect the quality of life of Canadians. However, I should not wish to continue my speech without mentioning the significant contribution made by some 300 people who, on behalf of their groups, told the Special Joint Committee of the Senate and the House of Commons on the Constitution of Canada about their vision of our country. And how could I forget the excellent work done by the members of this committee and especially by the co-chairmen, Senator Harry Hayes and the Minister of State (Mr. Joyal), the member for Hochelaga-Maisonneuve. Each in their own way, they have put their mark on one of the most decisive changes that has taken place in this country during the past 100 years.

Mr. Speaker, I should now like to express in this House some thoughts I have had following our consideration of the draft resolution and the speeches we have heard in the House and in various areas in the country. During the past months we have seen at least two schools of thought regarding the manner in which Government in Canada is defined and structured. There are those who would like to have this country consist of independent units—sovereign, to all intents and purposes—and that is the position taken by the government of the province of Quebec. Our country would then be no more and no less than the sum of its parts. That is more or less the view taken by the leaders of that province.

Fortunately, there are also those, and I am sure they are more numerous, who sincerely believe that Canada is not, and should never be, merely the sum of its parts. We belong to those who refuse to let this country become a fortuitous juxtaposition of regions, linked only by the opportunistic needs of the moment. To us, Canada is an entity with regional particularities which are to be considered, certainly, but Canada is, above all, a nation. And a nation must be able to exist as such, notwithstanding its different units, and to exist, a nation must have a national government. That, is the concept of Canada our draft resolution wishes to express, and it is supported by nine provincial premiers and by the vast majority of Canadians, notwithstanding the electoral or patently chauvinistic considerations of the Premier of Quebec.

Mr. Speaker, these two positions are confronting each other in this country today. And these are the forces that for 54 years have prevented our country from throwing off the shackles of the British North America Act. And it is because we had to rid ourselves of this anachronism which has frustrated our efforts for 54 years, and because no agreement existed and no agreement could be found, that we decided to proceed with the patriation of the Canadian Constitution. Some will say we are doing this unilaterally, but since the last federal-provincial conference in Ottawa, Canadians have been able to witness the flexibility of our Prime Minister (Mr. Trudeau), who instead of forcing the provincial premiers to accept the Victoria amending formula, which he preferred, bowed to the demands of the provincial consensus which opted for the Vancouver formula, but without the fiscal compensation demanded by the provinces, a decision that was made for perfectly acceptable reasons. As a consequence, rich provinces were allowed to opt out of a federal program requested by most provinces and, in addition to opting out, which is allowed under the Vancouver formula, they demanded fiscal compensation and, as several of my colleagues have already pointed out, it would probably mean the end of our social programs such as medicare, old age security or unemployment insurance. Let us take unemployment insurance, for example. Can you imagine what would have happened if compensation had been paid under that agreement supposing that provinces such as Alberta, British Columbia and Ontario had opted out of the program and had been compensated besides, under the so-called Vancouver amending formula? Quebec or the maritimes would never had been able to pay for a similar program, an unemployment insurance scheme as we know it today, and provide benefits as generous as those paid at present.

It is to retain those advantages that before agreeing to some of the proposals put forward by the parties opposite, we have to accept what the Minister of State said yesterday in the House, namely, that extensive studies should be carried out so that in future negotiations or at future federal-provincial meetings, such matters might be considered. Therefore, we intend to patriate our Constitution and take that opportunity to make some amendments, the most important of which are undoubtedly the clauses dealing with natural resources, the Canadian Charter of Rights and Freedoms as well as the amending formula. Let us see first how a Charter of Rights and Freedoms is entrenched in the Constitution. It seems to me that by doing so, we are only complying with the wishes of most Canadians and following the example of some Canadian provinces. In that regard, it seems strange that, though all the premiers agreed on the principles the charter is meant to protect, several of them opposed their being enshrined in the Canadian Constitution.

● (1540)

We want it to be impossible in the future for legislators to change, the most fundamental rights and freedoms of Canadian citizens according to political circumstances. And to those who tell us, especially in Quebec, that our charter is too general in nature, we say that it embodies what we consider to

be the basic minimum, that nothing is keeping the provinces from doing more. As for the effects of that charter on Bill 101 in Quebec, which have brought bitter complaints from some of the top brass in the Parti Québécois, let us see what they really are. First, the real purpose of the charter is to protect a principle on which all provincial premiers agreed in Montreal in 1978, including Mr. Lévesque, and I quote:

> That every child of the francophone or anglophone minority has the right to receive primary and secondary school instruction in his own tongue in every province wherever numbers justify it.

In Quebec, Bill 101 stipulates that the language of instruction for the children of that province is French, except for children one of whose parents went to an English primary school in Quebec. So, Section 23 of the Charter of Rights and Freedoms alters Bill 101 slightly in that it gives a parent who is a Canadian citizen and whose first language is English the right to send his children to English schools. Immigrants, even those whose mother tongue is English, can no longer avail themselves of that clause which applies, as I said, to Canadian citizens only.

Those, Mr. Speaker, are a few changes which the charter will bring to Quebec Bill 101. As the elected representative of a Quebec constituency, I am delighted with these changes basically for two reasons. First of all, I am sure that the Charter of Rights and Freedoms will not in any way affect the thoroughly French character of Quebec society, but on the contrary will to a certain extent ensure the continued existence and development of the French language in North America. That is a consideration of the utmost importance for me as well as for the other members of the Quebec caucus, in spite of what the PQ representatives would like Quebecers to believe. I should like to quote part of what the Minister of State stated yesterday in the House:

> The Quebec challenge is not to ensure that the French language and culture will prevail in Quebec. That goal has already been reached. According to official figures, 86.2 per cent of young Quebecers are now in the French education system; the number of students in English schools declined from 250,000 before 1975 to the current 168,000, a 33 per cent drop over six years. Even with the "Canada clause", the invasion of Quebec by English-speaking Canadians from other provinces is not to be feared any more. Indeed, the opposite will happen.

So, I fully agree with this position of the Minister of State. I sincerely believe that the fear some are trying to instil into us as Quebecers is unfounded. The other reason I am delighted with the terms of the charter is that Section 23, among others, will certainly restore the economic situation in Montreal to a certain extent and here is why. If head offices have been leaving Montreal—and as everybody is aware, they have since 1977, Mr. Speaker—it is because corporations thinks Bill 101 is unduly restrictive to Canadians who are moving to Quebec. As their English-speaking officials realized they could no longer send their children to English schools, following their transfer to Montreal or elsewhere in Quebec, many would refuse any transfer to Quebec and still do. The situation was unpleasant for some companies. That is why they decided to move their head offices out of Quebec. So I am confident that the charter will help counter this job drain resulting from companies which have been relocating outside Quebec since 1977. Mr. Speaker, I read an article on that issue in *Le Devoir* of November 18 where the concerns of the minister responsible in Quebec, Mr. Laurin, were expressed with respect to the help given to immigrants or at least to those who may come from the U.S. to set up companies here. Allow me to quote from an editorial by Jean-Pierre Proulx published in *Le Devoir* of November 18. I quote:

> How can one explain this unbelievable arrangement? It is fairly easy to imagine how things went. The Department of Trade and Commerce naturally wants to attract new business to Quebec. In our U.S. representations, officers from T. & C.

—the Department of Trade and Commerce—

> —and the trade commissioners who go down there occasionally, try to persuade companies that their managers are better off in Quebec if they apply for permanent resident status, since many benefits would be provided for them such as: social security, free schooling for their children, low university tuition fees, opportunity for sitting on the company's board, etc.

But then they are asked:

> "What about the language of education?" . . . "What about Bill 101?"

That is the question government officers would rather avoid. They have no choice but to say:

> French schools. They try to show the benefits of the system, but they are not always very convincing.

Exceptions can be made. And that is what Mr. Laurin tries to do, he tries to make exceptions so that those executives can come to Quebec and send their children to English schools, he tries to get around Bill 101. Now, with the Constitution, residents from outside Quebec but who are Canadian will not have to try to get around Bill 101, and once and for all they will have access to English schools.

In addition, we must keep in mind that the constitutional proposal confirms once and for all the equality of English and French within every institution under the jurisdiction of the Canadian Parliament. In other words, all the other provisions of Bill 101 are maintained, namely, those concerning the working language, those concerning the language of advertising, the language of trades and the language of the professions. The essential aspects of Bill 101 are not only maintained but indeed confirmed by the Canadian constitutional project.

The agreement on the new Constitution which the Parti Québécois government refuses to endorse would certainly be quite an advantage for all men and women in Quebec. But the PQ government, whose option is still the independence of Quebec, has absolutely no interest in compromising with its partners in the Canadian federation. But Quebecers do know where their interests lie because, whether we like it or not, we

have every reason to believe that once and for all our project will put an end to all those 54 years of sterile rifts and constitutional status quo. In my opinion, Mr. Speaker, the Canadian people have shown enough patience and they are congratulating us.

Hon. Roch La Salle (Joliette): Mr. Speaker, I should like to add some comments on this very important resolution, especially now that we have an opportunity to seriously consider an amendment that, in my view at least, would enable us to initiate or to continue, or, depending on the parties concerned, simply to reopen or to pursue, absolutely essential negotiations with the government of my province.

I was listening just now to comments made by a member from the island of Montreal. It is true that most members in the House always wonder why the member for Joliette does not hold the same views as the members on the other side of this House. I am doing my best, Mr. Speaker, to report comments and remarks that I, too, have heard in the province of Quebec. I am not going to discuss the arguments put forward by the previous speaker, but I would simply like to say that it is pretty far-fetched to claim that this resolution is going to achieve what we have all been trying to achieve, namely, national unity and national harmony. This problem is not going to be settled, considering what is happening, what has happened and what can be expected to happen. We must persevere, Mr. Speaker, and that is why I am speaking today to this amendment, and I want to take this opportunity to ask my colleagues from Quebec to think about the impact of an agreement without Quebec. It was mentioned, and the House leader (Mr. Pinard) also mentioned, that we would have a historic vote tomorrow. Well, today, for Canadians and all my colleagues and my friends in Quebec, there will also be a historic vote, because the vote we are going to have today may help us to get out of this impasse and to achieve a rapprochement with Quebec on this agreement. In any case, the outcome will depend on the good will of the members in this House.

On April 16 of this year, and I think everyone will agree, an agreement was reached by eight provinces. Granted, the federal government was not a party to this agreement. It is recognized that the province of Quebec exchanged or, in the view of some people, abandoned, its veto right for the clause on compensation. It was on that condition that Quebec relinquished a tradition, according to some, a veto right, according to others. The Minister of Justice (Mr. Chrétien) has been making fun of most Quebecers who thought that we had a veto right. In a speech he made not long ago, the minister himself accused Quebec of making the mistake of giving up its veto right, and now he turns around and says that Quebec never had a veto right or that the provinces never had a veto right. If nonsense were a fatal disease, Mr. Speaker, the minister would not have made it to the House this week. And so, on Friday, I think, the Prime Minister (Mr. Trudeau) hastily told us that he was not taking any chances, and that if hon. members continued to propose amendments or try to make certain changes, this would jeopardize the agreement.

• (1550)

In this case, Mr. Speaker, everyone admits that there is no danger that the agreement will be broken, particularly with respect to that proposal. That was the wish of the premiers in April, as I have said. The two provinces not represented did not have any objection to all that. To my mind, there is no possibility that the agreement signed by the ten governments will be broken. It would be enough if the Right Hon. the Prime Minister were to show good will as well. On November 5 last, the Prime Minister of Canada, quite distressed, stated that he regretted the disagreement on the part of Quebec. But he also said, and I remember that very well, Mr. Speaker, that he hoped he would find solutions so that Quebec would be party to this agreement before sending it to London. Personally, Mr. Speaker, I dream, I believe and I still wish that Quebec will sign the agreement. Perhaps both sides have expressed doubts about the good faith of the government of Quebec, but who could prove it in fact? Has Quebec shown enough good faith? I do not know whether it has or not but I do know that the government here in the House and the Primer Minister whose responsibility it is to prove it has, have not done so.

I believe that if one side made a mistake, it was made in Ottawa and it was quite obvious. During the evening of November 5, the Prime Minister of Canada tried to convince Canadians and Quebecers alike by telling them, I think, that there may be room for closer ties and agreements. But as far as I know, never did the Prime Minister of Canada make a special effort to contact the Premier of Quebec. It would have been interesting to see the reaction of the Premier of Quebec, it would have been interesting to see Quebecers at least, to allow Quebecers to judge the good or bad faith of their own government. Of course the officials had lengthy exchanges, there was dialogue through the mass media, but I do not think there was any personal contact, and that is what I regret on behalf of all Canadians and all Quebecers. Under the circumstances I remember very well that, the same day, I think, our leader of the Progressive Conservative Party (Mr. Clark) made a speech and took that opportunity to urge the Prime Minister of Canada to show his good faith, pointing out to him his responsibilities as Prime Minister of Canada. He asked him to do whatever was necessary to get Quebec back into the fold and to find those solutions to convince Quebec that it should sign the agreement, because we are indeed talking about a very important agreement for the future of the Canadian people. As my leader said, and I remember that very well, it would have been quite interesting to see the reaction of the Quebec government.

I am quite prepared to take an objective approach to the resolution, but I certainly disagree with the charge that the government of Quebec has acted in bad faith because I know that the necessary steps were not taken here in Ottawa. And I am wondering how it is that, out of 70-odd members, there were not at least a few to decide to go the extra mile than just be content with making accusations. If the government of Quebec showed a negative attitude, it is unforgivable that the federal government should have done the same because the

central government has a role to play, namely to establish closer ties among the provinces. As a Quebecer, I cannot be satisfied with nor can I accept that agreement among nine provinces. No, I think that the historical vote we are going to have today might be more important than the one slated for tomorrow, Mr. Speaker.

Under the circumstances, thanks to the initiatives taken by our leader that were noticed and understood by our other colleagues, we put forward proposals and amendments to bring about a breakthrough and an understanding and, hopefully, an agreement with the Quebec government. I submit the Progressive Conservative Party acted responsibly on behalf of the nation. This is what responsibility is all about in a political party. Our committee on the Constitution did some hard work, and I am most happy to support the amendment put forward by the hon. member for Provencher (Mr. Epp). It is in line with the equity touted by the Minister of Finance (Mr. MacEachen) in his budget a few days ago. It reflects a sense of justice, it would go along the lines of that just society that this government never envisaged over the last 15 years.

For very different reasons referred to yesterday by the hon. member for Provencher, the provinces could give unanimous support to the amendment we are moving today. My colleagues will have an opportunity to speak for other provinces, and I wholeheartedly support the points made yesterday by my colleague from Provencher. But as far as Quebec is concerned this is vital, Mr. Speaker. I think my colleagues from Quebec are also aware of this. I realize the Prime Minister is not in total agreement, indeed he does not agree at all. But to what extent should they attempt in these final moments to bring the Prime Minister to his senses and to make him realize the importance of Quebec's participation in that accord before the London expedition is launched? The Minister of State (Mr. Joyal) made some comments on that yesterday, and I was pleased that he did not oppose the principle of the amendment put forward by the hon. member for Provencher. Subject to certain constraints, as I can well imagine, he attempted to reassure us when he said: "Well now, maybe not in the first stage, but this could happen in the second stage, when this Constitution comes back and those amendments are all followed up." Well, it is very difficult to bank on the good intentions—which I am not questioning—expressed by the hon. member for Rosemont, the Minister of State. However, that is not good enough.

Mr. Speaker, all the members from Quebec are aware of this. The problem will not be solved by rejecting it outright, as did the Right Hon. Prime Minister on Friday when he said: "I will accept no amendment until the final vote!" Is that the just society he was talking about when he became Prime Minister in 1968? How can we stand idly by when we are allowed no discussion, no amendments? He said so in so many words! But government members should feel much more outraged than myself about that. None of these members would have cause or would have the right to move an amendment, even if it eventually allowed us to throw some light on our discussions. That is the height of arrogance, Mr. Speaker! We are being told: Move any amendments you want, they will be rejected, even if they are worthwhile! That is not good enough, Mr. Speaker, not good enough indeed! We object to this procedure as parliamentarians, and I hope some people in my province will seize this last opportunity today to at least meet the first condition which the Quebec Premier considered essential when he refused to sign the agreement.

● (1600)

The Prime Minister of Canada said recently in Quebec City about the decision of the Supreme Court: We are now acting within the law; we are acting within the Constitution. It remains to be seen whether or not we are acting equitably. The rejection of all the amendments tabled since last Friday certainly does not reflect the just society nor the equity that should be shown by any government respectful of its people. Of course, as concerns this amendment which is especially important to the Quebec government and constitutes an essential condition for the Quebec government, I must repeat to my colleagues from Quebec what I said last Tuesday. Every one of us has always supported our governments in Quebec, at least since I have had the right to vote and as long as I can recall, every one of us in Quebec, whether Liberal or Conservative, whether Grit or Tory, has always congratulated our governments on opposing any federal intrusion in areas as vital as those which we are now discussing.

It is interesting to note that on these specific points, as my colleagues from Quebec are well aware, people like Lesage, Johnson, Duplessis, Bourassa and so on would have reacted in the same manner to the amendment now before us, for the same reasons and regardless of the philosophy or the program of their political party. No Quebec Premier, whether Tory or Liberal, would have tolerated the attitude and the decision facing us today. He would have congratulated the Leader of the Progressive Conservative Party and the hon. member for Provencher on suggesting a solution which is proper, acceptable and necessary when all risks are considered and it is our firm intention to build a just society and a country where everyone may live well and comfortably. All these former premiers would have done exactly what the Quebec government is doing now. And if this Parliament was to react positively to this amendment and if, as a result, the Quebec government was likely to be embarrassed, I believe that a great majority of Quebecers would endorse this proposal. Those who deliberately show ill will in any case would be placed in an even more embarrassing situation if they did not respond to that.

We are already getting indications from the Quebec government that this proposal is vital, essential and, at the very least, a first step in the right direction. How futile, that my party should have proposed it instead of the government which should have assumed its responsibilities. In any event, the government did nothing to help us on this side of the House to draw Quebec closer and induce it to sign this agreement which, according to Mr. Ryan, cannot be a Canadian agreement without the participation of Quebec. We are not dealing here with the separatists only. Mr. Ryan speaks on behalf of

thousands of Liberals. He does not agree either with the resolution as a whole. I would not say that he is as adamant as Mr. Lévesque but he certainly does not agree with the resolution as it now stands.

Under those circumstances, Mr. Speaker, I shall take this opportunity, once more today, to ask those 70 or so hon. members from my province to view this amendment as a positive step, a partial solution to the problem Canada and the government are facing at this time. I am sure Quebecers will be watching the vote very closely today on this amendment, which is of special value and significance to me as a Quebecer, as well as to others. And the generosity of this amendment, which responds to the concern of all the provinces is, in my opinion, consistent with this justice and equity of all the provinces. I could even think in terms of my own home town and say, well, I do not want the others to get this benefit too. I suggest that we are demonstrating equity and justice—not charity—when we ask that this amendment apply to all the provinces, and we rely also on our provincial premiers. To those who might be concerned about possible abuse, I say that they have a very poor idea of these premiers' fair play.

We rely on the other provinces concerning this amendment, and I hope that the hon. members from Quebec especially will help us compel the government to accept this amendment, because it provides an element of solution and makes a compromise possible in our common endeavour. I know that the hon. members from Quebec would be delighted to see the Quebec government sign this accord. Is it possible that one of the provinces which signed this document some 114 years ago be absent from such an important resolution? I hope Quebecers will not permit anybody to call them traitors on this amendment because it is of utmost importance to the future of Quebec, to the future of Canada, and if this amendment is lost, I wonder why we would continue this debate which is essential to the future of Canada. This resolution is quite imperfect, but without this amendment, I do not think that a Quebecer worthy of the name could continue saying anything good about this resolution.

• (1600)

[*English*]

Hon. Warren Allmand (Notre-Dame-de-Grâce-Lachine East): Mr. Speaker, it is with very mixed emotions that I address the resolution before the House this afternoon. On one hand—

[*Translation*]

Mrs. Beauchamp-Niquet: Mr. Speaker, I rise on a question of privilege.

Mr. Deputy Speaker: The hon. member for Roberval (Mrs. Beauchamp-Niquet) on a point of order.

Mrs. Beauchamp-Niquet: Mr. Speaker, I indicated that I had a question of privilege and I do not think you heard me. I want to ask the hon. member for Joliette (Mr. La Salle), through you Mr. Speaker, if he would accept two questions on the points he just raised.

Mr. Deputy Speaker: Unfortunately, the hon. member for Joliette (Mr. La Salle) has used up all his time. Such questions may be asked with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Mrs. Beauchamp-Niquet: The hon. member for Joliette has referred to the good faith of the PQ government and to the more or less bad faith of the Canadian government. I wonder whether he could point out to me one instance where the PQ has shown good faith during the constitutional negotiations? That is my first question.

Second, when he suggests that the government refuses to assume its responsibilities with respect to new amendments at this point, I wonder whether the hon. member for Joliette is aware of the telegram which Mr. Bennett, the spokesman for the provinces, forwarded last week on potential amendments to the Charter. Accordingly, I would like thim to be aware of the fact that it is not the Canadian government which is rejecting new amendments—

Mr. Deputy Speaker: Order, please. The hon. member for Roberval has asked her questions, does the hon. member for Joliette want to answer?

Mr. La Salle: Mr. Speaker, I was not trying to prove that the government of Quebec was showing any good faith, I merely said that there are people who are questioning its good faith. I did not condemn that, nor am I saying that they should not, besides, that is something I could not do.

As I said, I know that in Ottawa there has been no evidence of good will, since it was up to the Prime Minister of Canada to contact the Quebec Premier, but he failed to do so and the Minister of Justice merely ridiculed, criticized and laughed at the Quebec government. He has shown disrespect to a provincial government, whatever may be its political stance.

With regard to amendments, Mr. Bennett from British Columbia stated that a telegram was sent to the Prime Minister of Canada, but I have a feeling that the Prime Minister of Canada tried to warn us before receiving that telegram and that anyhow the British Columbia Premier was agreeable to the compensation formula. I think that it would have been easy for him to answer affirmatively if the Prime Minister of Canada had then seriously considered the amendment now before us.

• (1610)

Mrs. Beauchamp-Niquet: I rise on a point of order, Mr. Speaker. In my opinion, the member for Joliette (Mr. La Salle) has made some entirely false statements which I would like him to withdraw.

Mr. La Salle: No way!

Mr. Deputy Speaker: The hon. member for Notre-Dame-de-Grâce-Lachine East.

[*English*]

Mr. Allmand: Mr. Speaker, as I was about to say, it is with very mixed emotions that I address this constitutional resolution this afternoon. On the one hand, I am pleased that we have an agreement to proceed with patriation, an amending formula and a Charter of Rights and Freedoms. There are many good clauses in the resolution which I support. As hon. members know, I have been a strong proponent of patriation, a Canadian Constitution and a Canadian Charter of Rights and Freedoms for a long time. Hon. members can read my speech in this House of March 12 this year, when I gave full-hearted support to the resolution which was then before us.

On the other hand, I am not happy at all with the revised charter, with the new amending formula, the new wording which applies to the charter, and the new wording on aboriginal rights. In particular, I am not pleased with the introduction of the "notwithstanding" clause into the charter, a so-called override clause, and, in particular, as it would apply to Section 2, fundamental freedoms, and Section 15, the equality clause. For me, these two clauses were key ones which I think would have helped protect Canadians on many issues which are not foreseen today.

Second, I was opposed to the introduction of the word "existing" in the aboriginal rights clause. I voted for the amendment to eliminate that word from that particular guarantee clause for our aboriginal people. It is my opinion that the addition of the word "existing" will lead to confusion and ambiguity and cannot help but limit the application of those protections for our native peoples.

I am also concerned that there is no veto power for the province of Quebec. In our original resolution, we did have such a power. We do not have it now. I think we have always recognized that Quebec, as the only province with a French-speaking majority, should have that protection in dealing with amendments put forward by other provinces. It seems to me that the amendment put forward by the NDP in this debate would go a long way to getting support among the people in the province of Quebec, if not from the Quebec government.

Some hon. Members: Hear, hear!

Mr. Allmand: Nevertheless, if it was only for those clauses, despite their tainted nature, I could probably have voted for the resolution, like the Prime Minister (Mr. Trudeau), holding my nose, because although imperfect, that type of Constitution is better than none at all. I say "if only for those clauses", because there is another clause which is so offensive to me and so unacceptable that I cannot vote for the resolution; that is, Section 59. I maintain that Section 59 is a discriminatory clause in a resolution which is supposed to do away with discrimination. That clause states that some of the protections contained in the minority language education provisions in Section 23 should not apply to the anglophones in Quebec.

The question of language rights is one of the most fundamental and basic issues to me, my people and my electorate. I must say that language rights are probably the most fundamental questions for both anglophones and francophones in this country. It is the issue on which most emotions are expressed. It is the issue on which most Canadians, when those rights are being attacked, will go to the battlements.

It is interesting to note that, of all the rights which are purported to be protected in this Charter of Rights and Freedoms and in the constitutional proposal, the only ones which are under attack at the present time by the people I represent are their language rights. This type of discriminatory clause comes about at a time when the signs of the people of my province are being taken down, when their social, educational and business institutions are under attack, when they are being squeezed, when they cannot get answers from the Quebec government in their own language, and so on. I say that those measures are the responsibility of the provincial government; but this backward step on behalf of the federal government comes at the same time these other things are happening.

Before the accord of November 5, the Prime Minister, along with the cabinet, the entire Liberal Party and our Liberal caucus, were prepared to go to England for patriation with Section 23 applying to all provinces, with the support of only two provinces behind them, Ontario and New Brunswick. At that time we stood firm that Section 23 and the other articles would apply, in their untainted form, to all provinces. I can recall the Prime Minister, other ministers, members of my caucus and myself saying that we would not compromise on principle as the Supreme Court had stated that we had the legal right to do what we were doing, and that while we were willing to improve the charter, we would not compromise and move backwards.

However, now, with nine provinces supporting, we have compromised and we are moving backwards. I want to remind the House that when the resolution was first introduced in this House in October of 1980, the very basis of the protections for minority language rights in education was mother tongue. It was not where one received one's education; it was mother tongue. The so-called Canada clause, Clause 23(1)(b), was only added later on, during the hearings at the committee stage, and was accepted by the Minister of Justice (Mr. Chrétien) in late January, last winter. I forget the exact date. However, the original basis that this government put forward for protecting language rights in education was mother tongue, the language first learned and still understood.

The reasons given for this concession by my caucus, which I have not been able to convince them to abandon, are that this concession is necessary if we are to avoid tipping the balance in Quebec in favour of separatism. I simply cannot accept the argument that guaranteeing access to English schools for anglophones, based on their mother tongue, will tip the balance in favour of separation in any separation referendum, especially when those same rights have been guaranteed to

francophones outside of Quebec. I simply cannot buy that argument.

That is the stated argument in favour of the concession, but it seems to me that there is an unstated argument which is the real reason for the concession; that is, that as an unfortunate result of the accord of November 5, we ended up with nine anglophone provinces supporting the accord and only Quebec in disagreement, which gave Mr. Lévesque the freedom to return to Quebec and state that the English-speaking provinces were ganging up on Quebec. I reject that argument. I do not believe for one minute that the English-speaking provinces were ganging up on Quebec. As a matter of fact, Mr. Lévesque was the first to abandon his allies by almost going along with the Prime Minister on a referendum formula the day before.

However, in any case, the real reason is that that sort of result in the constitutional conference was very convenient for Mr. Lévesque in fuelling the political storm that he wanted to press for his independence option. Nothing could have been better for him, from his political point of view, than to end up with a situation where nine English provinces, or so-called English majority provinces, were on one side with Quebec on the other. I do not know how he manipulated it, but he ended up with that, to his advantage.

Now, because of that situation, which was not this government's doing, nor the Prime Minister's doing—it was not anyone's doing but Mr. Lévesque's—we are making concessions to Quebec. There is no use making them to Mr. Lévesque; he would not accept anything but the right to separate. However, we are making those concessions on the backs of my constituents, which I think is unreasonable and unnecessary.

● (1620)

When I first heard rumours that the government might weaken its protection for minority language rights in education, on October 23 before the federal-provincial conference I put a question in this House. This matter was headlined in the Montreal *Gazette* and in the Ottawa paper, *The Citizen*, stating that the government might weaken its provisions for minority language rights. I asked the Minister of Justice on October 23, 1981 if that was correct. The Minister of Justice replied, as reported in *Hansard* at page 12115, as follows:

> Madam Speaker, what the Prime Minister said was that if there is any suggestion to improve on the charter, it will be welcome.

He went on to say:

> The goals are well known. We think it is about time that we had equality in schooling across the land for Canadians who speak English in Quebec and for Canadians who speak French in the rest of Canada.

That is what the Minister of Justice said on October 23 but which he does not stand for now. Because I was not satisfied and because I thought there might be implications to the answer that I did not see, I put that question to the government in the adjournment debate and I pursued it again after the constitutional conference on November 9. I elaborated on the question, stating firmly that we should not retreat on minority language rights, either in the English-speaking provinces or in Quebec. The Parliamentary Secretary to the Minister of Justice (Mr. Peterson) replied, as reported in *Hansard* for November 9, 1981 at page 12682:

> The federal government has always supported, and continues to support, the principle of granting minority language education rights equally throughout this country. This is not the time that we intend to back off from that principle.

The government backed off a few days afterwards.

I want to make it clear that what I am going to support in this House is what this party has supported for the past year. I am not supporting some new radical idea by insisting on the full application of Section 23 to all provinces in Canada. That is what we all supported before November 5. It was supported by the Prime Minister, the Minister of Justice, the caucus and the party. It is a position that we have supported for over 16 years, ever since I have been here, both under the present Prime Minister and under the Right Hon. Lester Pearson. It goes back to the recommendations made in the bilingualism and biculturalism commission report in the early years of Mr. Pearson's mandate.

I want to quote a few other things which are very interesting. When the Prime Minister introduced the resolution on October 2, 1980, here is what he said:

> Every Canadian will be guaranteed the right to move freely to any part of Canada—

He went on to say:

> And, inseparable from that, the right of parents, be they English-speaking or French-speaking, to have their children educated in their own official language will be assured. Each and every premier, in Montreal in 1978, committed himself to the principle that "each child of the French-speaking or English-speaking minority is entitled to an education in his or her language in the primary or secondary school in each province wherever numbers warrant". We will put that agreement of the provinces, the agreement of the premiers into the Constitution.

When the Prime Minister entered the debate on the original resolution on March 21, 1981, he said this in speaking about Section 23:

> I now come to the language issue.

He went on to say:

> —under our original Constitution in 1867, the federal government . . . not only had the right but also the obligation to protect minorities in the area of education.

Referring to the British North America Act, he said:

> Under subsections 93(3) and 93(4), we now have the right to legislate in educational matters so as to protect minorities. Indeed, those minorities were then defined in terms of religion, whereas we now tend to define them in terms of language, and we know the historical reasons for that change. But the principle was there; the Fathers of Confederation—and that is the most beautiful and noblest aspect of our tradition—said: It is up to you in the federal government to protect in the field of minority language education.

He went on to say that in effect that was what he was doing by putting Section 23 in the Constitution.

A document entitled "A Time for Action" which was published in 1978, put forward the constitutional proposals which the Prime Minister had suggested at that time. The government, approved by the cabinet—I was in the cabinet at that time and I can recall approving—said this at page 9:

The renewal of the federation must guarantee the linguistic equality of its two major communities, the English-speaking and the French-speaking, and assure that Canadian institutions exist to help each group to prosper.

Further down page 9 we find these words:

—it does mean that the equality of our two official languages must be recognized and guaranteed, and that the practical implications of the equality must be accepted.

On page 22 of "A Time for Action" we find:

The government will be putting forward its proposals for a *Charter of Rights and Freedoms*.

Further on in the same paragraph we find:

—would provide new protection for minority language rights. The government has expressed on many occasions its profound conviction that the citizens of Canada, whether they speak English or French, should be able, in those situations where numbers warrant, to receive basic government services and schooling for their children in their language. The Charter would be intended to provide a permanent constitutional guarantee that fair and reasonable treatment will always prevail.

I could go on quoting the Prime Minister on this particular subject. When we introduced Bill C-60 in 1978, the Prime Minister intervened in the debate and said words similar to those I have just quoted. Those who are interested can look at *Hansard* for June 27, 1978, at page 6785.

Another interesting document is one entitled "Position of the Federal Government with Regard to Quebec's Bill 101." This document was put out by the federal cabinet on October 6, 1977. We find in Clause 1 the following:

Bill 101 is of concern to the federal Government because it will adversely affect:

(a) the unity of Canada and the development of equal rights for the two official languages;

In Clause 2 we find the following:

The federal government considers that Bill 101 is inconsistent with the federal government's concept of a Canada in which the rights of all official language minorities in the country, whether anglophones in Quebec or francophones in other provinces, would be fully respected.

In Clause 3 we find:

The federal government is committed to the maintenance in Quebec of a society which is primarily French-speaking in character.

The clause goes on to say:

However, it believes this can be done by positive steps without coercion and without restrictions on the rights of the English minority in the province.

That is what the cabinet said in 1977 with respect to Bill 101. On the second page of this document, Clause 6 reads:

More specifically, the federal government totally opposes those provisions of Bill 101 which:

(a) deny the equal official status of French and English in that part of Canada formed by Quebec;—

In Clause 6(c) we read:

(c) deprive all Quebecers, except certain anglophones, of the right to choose freely the language of education of their children.

Again I will not have time to quote the government and the Prime Minister on every occasion they backed the principle that I am backing today. But I refer you as well, Mr. Speaker, to a document called "A National Understanding—The Official Languages of Canada". This document was approved and released by cabinet on June 21, 1977. In it similar statements are made with respect to equality of language rights for anglophones in Quebec and francophones outside of Quebec. Also we have the report of the Special Joint Committee of the Senate and House of Commons on the Constitution of Canada. I was a member of this committee. Several members of today's cabinet were also members. This same principle was approved.

Going back to 1968 when Mr. Pearson was prime minister and the present Prime Minister was minister of justice, other such documents were published. One of these documents is entitled "Federalism for the Future". What I am trying to demonstrate is that what I am supporting has been the long-standing policy of the party and that Section 59 goes against that policy. It is stated at page 18 of that document:

● (1630)

In a country such as ours, with its two founding linguistic groups, the preservation of individual rights also must mean the guarantee of the linguistic rights of both groups. For language is at once the extension of the individual personality and an indispensable tool of social organization: fail to recognize the linguistic rights of either French or English-speaking Canadians and their will to preserve Canada will be seriously weakened, if not destroyed.

The other document came out in 1969 at the constitutional conference of 1969 and is entitled "The Constitution and the People of Canada". I cannot find the exact quotation, but it goes on to say the same thing.

I have here Book I, the first edition of the Report of the Royal Commission on Bilingualism and Biculturalism, and at page 123, recommendation 9, which was the beginning of much of this, states:

Therefore, we recommend that the right of Canadian parents to have their children educated in the official language of their choice be recognized in the educational systems, the degree of implementation to depend on the concentration of the minority population.

Mr. Deputy Speaker: Order, please. I regret to interrupt the hon. member but the time allotted to him has expired. He may continue only with the unanimous consent of the House.

Some hon. Members: Agreed.

Mr. Deputy Speaker: There appears to be unanimous consent.

Mr. Allmand: Mr. Speaker, the House leader was kind enough to tell me that he would give me extra time if that was necessary, but I will not abuse that privilege.

While I am making a strong plea today for the protection of the anglophone minority in Quebec in matters of education, I want to make clear that I have always been and still am a very strong supporter of francophone rights in Quebec and across Canada. I was and still am a strong proponent of applying Section 133 of the BNA Act in Ontario. I have spoken in favour of that in our caucus and in this House on several occasions.

When the problems arose with *les gens de l'air*, I supported bilingualism for air traffic controllers and for people flying aircraft in this country. When there was a question of expanding the French television and radio network throughout

Canada and there were difficulties in the west in certain cities, I spoke in the west in favour of granting channels and stations to our French Canadian populations in those areas. I supported bilingual labelling and other measures of bilingualism all over this country.

I believe, and I think most English-speaking Quebecers believe, that every reasonable step must be taken to assure the individual and collective rights of French-speaking Canadians, not only to survive but to prosper and grow; but as the Prime Minister has said, and I have just quoted him, you do not do this by restricting the right of others. That is what I think is being done in this resolution.

I want to remind hon. members, and I realize that my time is up and I do not really have time to pursue this argument in its fullness, that anglophones in Quebec are not a small group and we are not recently in Quebec. We have been there for over 200 years, and in many parts of Quebec we were the first Europeans to settle in places such as the eastern townships, in certain counties and in northern or new Quebec. We are not all of British origin. We are of many origins, we are of many religions and we are of many colours. We are Catholics, Protestants, Jewish, we are white, yellow and black, we are not all bosses and we do not all live in Westmount. We come from many, many places and from many, many backgrounds.

I have to state that because some people will say to me: "You know, you have had it too good for so long". Many of us, I think two thirds, who are anglophones in Quebec never had it that good. Some of my colleagues with whom I have discussed this privately have said: "We had to give up Section 23(1)(a) for the province of Quebec and for Quebec anglophones because it is too difficult to administer and would entail tests". All I can say to that argument is that we had it there before November 5 and I never heard that argument once. We still have it for all the other provinces in Canada and I have not heard the argument once with respect to them.

I have also heard it stated in response to my argument that francophones in Quebec, because of Bill 101, cannot send their children to English schools and we are not protecting that right in the Constitution. The rights that are being protected in the Constitution are minority rights. The francophones in Quebec are in the majority. They elect the governments there, including the government that is there now and which put into place that provision that they cannot go to English schools; but majorities can take care of themselves while minorities cannot. They are continually in a position of being outvoted by majorities.

Another argument which has been made to me is: "Warren, you are only concerned about a very small group of anglophones. We are only leaving out maybe three thousand or four thousand people; they are the only ones who might suffer as a result of this." I thought we had an entrenched bill of rights to deal with small groups of people.

I can recall the Minister of Justice saying in the committee that we needed this entrenched bill of rights to deal with small groups like Japanese Canadians, Jehovah's Witnesses, Dukhobors and certain small political parties who were discriminated against by majorities in legislation—whether they were political parties, religious groups, linguistic groups, ethnic groups or whatever small groups. Even though there are only three or four thousand, that is enough for me. I thought that was the basis for a charter of rights, to guarantee those minority rights.

Finally, some are saying: "Well, you know, we are really only affecting your grandchildren, and so on; the present law in Quebec will protect you. Bill 101 protects you because you can get a certificate under Bill 101 that will allow you to send your children to French schools and then to English schools, and so on."

Once again, we said a charter of rights entrenched in the Constitution was necessary because provincial legislatures and Parliaments can vary ordinary laws from day to day and from month to month and nothing will stop them except the majorities which they have in their Houses. To say on the one hand that we need a charter of rights to protect minorities against ordinary legislative measures, and on the other hand that we can rely on a clause in Bill 101, is to me a contradiction. I must say that the particular clause they are referring to in Bill 101 does not protect minorities.

In the last week I have had many English-speaking Canadians in Montreal telephone me to tell me they were sent to French-speaking schools in Montreal when they were children, some for only two or three years, and now want to send their children to English schools but cannot do so. They even put them into English schools and they were forced out. That is the kind of thing I want to do away with, and that is the kind of thing the full protection of Section 23 would help.

I tried to convince my colleagues, the Prime Minister and the Minister of Justice, of certain amendments. My first choice for an amendment would be to strike out Section 59 altogether and allow Section 23 to apply to all provinces in Canada, as it was going to do before November 5. That was not agreeable to anyone, or to very few people.

Secondly, I was willing to compromise. I said: Okay, let us have an amendment that will protect all those Canadians residing in Quebec now, giving them the full protection of Section 23. At least they are there now and have had those rights to protect them. That was not acceptable.

Then I said: Okay, let us use the principle that is in the Official Languages Act. Let us apply the full protection of Section 23 to all those Canadians residing in Quebec who live in counties with a minority anglophone population of 10 per cent. That is the principle you will find in the Official Languages Act. That was not acceptable.

Then I said: Look, I am willing to sit down with anybody to discuss other formulas for amendment, or mechanisms that would guarantee and assure the francophone majority of Quebec but at the same time protect the anglophone minority. I want to protect both. Obviously I got nowhere and I am now left with a situation in which tomorrow we are going to vote on a Constitution with a Charter of Rights and Freedoms which originally was to do away with discrimination and protect

minorities, but which has in it Section 59 which discriminates against the anglophone minority in Quebec with respect to education. Section 59 is a discriminatory provision in that it provides that parts of Section 23 will not apply to the anglophone minority in Quebec.

• (1640)

For me and my electors, Section 59 is a betrayal of all that I have ever supported and stood for in this House, and I have quoted passages supporting that going back 15 years. If it continues to be like that tomorrow at three o'clock, unfortunately I will have to vote against it.

Some hon. Members: Hear, hear!

Mr. Tom McMillan (Hillsborough): Mr. Speaker, may I begin by heartily congratulating the previous speaker, the hon. member for Notre-Dame-de-Grâce-Lachine East (Mr. Allmand) for his impassioned speech. To my mind, he spoke with considerable eloquence, reason and force. It is refreshing to see someone on that side of the House speak with an element of independence and openmindedness.

For my part, I am pleased to participate in this, the final stage of debate in Parliament on the patriation of the Constitution with a Charter of Rights and Freedoms. Today is the second occasion on which I have spoken in the House of Commons on this subject. The first occasion was on October 20, 1980, just after the government introduced its resolution. I also felt privileged to participate in the work of the Special Joint Committee of the House of Commons and Senate on the Constitution, in particular when the then premier of my province, the Hon. Angus MacLean, presented a brief on behalf of Prince Edward Island.

Much has happened to the government's constitutional resolution since it was forced through Parliament by closure about a year ago. I think most of the changes have been for the better. Indeed, the package has been transformed—I do not think the word "transformed" is too strong to use in this context—from an odious document which would have violated the principles on which our system of government is based, into an instrument of constitutional reform that is a credit to the country.

If I may say so, the Progressive Conservative Party deserves a lot of the credit for that transformation. The Right Hon. Leader of the Opposition (Mr. Clark) is especially deserving of praise because it was his constructive opposition to the government's course that prevented the country from being saddled with a new Constitution which would have done irreparable damage to both parliamentary supremacy in this country and to our federal system of government.

Let it not be forgotten that had the Supreme Court been denied the time it needed to render its landmark decision on the constitutionality of the government's original resolution before Parliament passed it, not after, the matter would have been disposed of many weeks ago. The final product would have reflected neither widespread support across the country nor a consensus among the 11 governments of the land, both of which the package now enjoys. In fact, we may well have ended up with something akin to what I would call an illegitimate constitution in the sense that, lacking both public and official support, it would thus not have had the moral authority required to make it workable. It is to the lasting credit of the Leader of the Opposition that he provided the creative and constructive leadership necessary to stall the government long enough to allow the emergence of a genuine consensus in the country, triggered by the Supreme Court decision.

I would be the first to agree that the final package will be flawed in many respects. But whatever flaws may remain in the resolution at the end of the debate tomorrow, the package will nevertheless carry with it the backing of most Canadians through their provincial governments and through their representatives in both Houses of Parliament. The Progressive Conservative Members of Parliament have made a very valuable contribution to making that possible.

Certainly the new Constitution will be much more compatible with the nature of our country and with the nature of our parliamentary institutions because the PC party in Parliament and across the country took certain steps. It mobilized public opinion against the government's ill-conceived constitutional proposals. It ensured that there would be a full and fair and reasoned debate in Parliament. It fought to avoid having the constitutional proposals rammed through Parliament and rushed to Westminster last December before they could be considered in Canada. Finally, it encouraged all Canadians in every province of Canada to return to the bargaining table to seek a truly Canadian compromise.

In the same spirit, the PC party is proposing the amendment on provincial fiscal compensation now before Parliament in an effort to enlarge and broaden the national consensus on the Constitution so as to embrace the one province—Quebec—not yet reconciled to the package. Quebec's population of approximately 6,340,000 constitutes about 25 per cent of the total population of Canada. In terms of sheer numbers, that fact alone should cause Canadians to be concerned about Quebec's absence from the national consensus. Given that Quebec is the homeland of one of the two founding peoples of Canada, our concern should border on alarm.

I will leave it to the lawyers among us—and there are many in the House—and perhaps also to the courts—presumably the Supreme Court—to decide whether or not Quebec actually has a constitutional veto, a veto over future constitutional changes including the ones which we are now contemplating.

However that question may be answered, no matter what the Supreme Court or anyone else decides on that question, none of us can ignore that Quebec's opposition to what we are doing threatens the very survival of our country. It helps not a whit, in my opinion, to say, as the Minister of Justice (Mr. Chrétien) has said in the House and outside Parliament, that the Premier of Quebec is acting insanely and without the support of his own people within the province of Quebec. Clearly Mr. Lévesque's position is not outrageously out of whack with majority opinion in Quebec, and in my view may

well be closer to majority opinion in Quebec than the Minister of Justice is in his own stance.

In any event, one cannot easily distinguish between contempt for the concern of a provincial premier, and contempt for the people who elected him to be their spokesman. Due respect for the opinions of the people of a province requires respect also for the views of their premier and his government which was freely and democratically chosen. By ignoring, even snubbing, Mr. Lévesque at this crucial stage of the constitutional renewal process, the federal government may be driving yet another wedge between the people of Quebec and their national government here in Ottawa, as well as between one group of Canadians, Quebecers, and all other Canadians. In so doing, the federal government may be forcing Quebec into exactly the kind of enclave the Prime Minister (Mr. Trudeau) at least pretends he entered politics to prevent.

● (1650)

Several previous speakers from my party have already dealt in some detail with the amendment on fiscal compensation which we are proposing. I do not wish to repeat their explanations or their arguments; that would be redundant. Suffice it to say that the amendment would change the constitutional resolution so as to guarantee the right of any province—not just Quebec but any province—to be fully compensated should it decide not to participate in a constitutional amendment which would undermine, through the aggrandizement of federal power, the authority or rights it has traditionally exercised and enjoyed. The fact that the constitutional resolution does not now contain the provision we are contemplating in our amendment is a major stumbling block to the inclusion of Quebec in the national consensus. I think it behooves us on all sides of the House and in every party to do everything reasonable, everything practical and everything possible to accommodate the legitimate concern of Quebec on this vital matter.

However, though the amendment may well stem from the desire of my colleagues and me to respond in a meaningful way to Quebec's concern, other provinces cherish their special circumstances every bit as much as Quebec does. The fiscal compensation proposal would therefore be equally important to them. In the case of my own province, Prince Edward Island, the smallest province in the country, I can envision many circumstances under which the government of Prince Edward Island might consider it imperative to preserve its integrity and its autonomy as a separate province of Canada by opting out of an amendment which would transfer a given authority from the provincial level of government to the federal Parliament. An amendment affecting the province's right to regulate non-resident ownership of land is a case in point which comes immediately to mind. In circumstances like that it would be the smallest provinces—the poorest provinces such as Prince Edward Island, Newfoundland, Nova Scotia and New Brunswick—which could least afford to exercise their right to opt out if fiscal compensation were not guaranteed in the Constitution. If compensation were not provided or not guaranteed, the right to opt out would be academic. It would be theoretical in the absence of the fiscal capacity to exercise it. The right would exist purely on paper.

Certainly it would be prohibitively expensive for Prince Edward Island—and I use that only as an example—and, I expect, for all other Atlantic provinces, to opt out of a national program and then not only have to contribute its share of the cost of that national program but also have to pay the full cost of its own program in the same area.

The fiscal compensation guarantee called for in my party's amendment would effectively eliminate that double jeopardy. To my mind, the amendment adds an element of flexibility to the constitutional resolution which respects the manifold heterogeneity and diversity of the country. As the hon. member for Provencher (Mr. Epp) stated eloquently in the House yesterday—and I am glad to see him here for the debate today:

> Opting out and financial compensation provide a protection for the unique character of every province, a uniqueness which was recognized by the founding Fathers of Confederation, not only because of the special character of the province of Quebec . . . but also because of the special characters of the provinces of Nova Scotia, New Brunswick, and Ontario; and . . . the special conditions prevailing in the provinces which entered confederation after the original four.

I think it is notable that that sentiment, which means so much to the provinces on the Atlantic sea coast, should be uttered by a member of this House from the west.

I can appreciate the concerns of those hon. members who fear that giving every province the right to opt out of certain types of constitutional amendments with full fiscal compensation might seem an open invitation to provinces to withdraw from national initiatives, thus creating the checkerboard federalism against which the Prime Minister frequently rails. But I believe, and I think this is supported by history, that the practice of opting out—and we in Canada have been living with it for some time now, certainly throughout the sixties and since then—demonstrates that the potential for abuse is much less than is feared. The federal government's powers of moral suasion, especially through its unlimited spending authority and spending power, are strong enough to encourage provinces not to take advantage of the system any more than is absolutely essential to their respective legitimate interests.

I urge the federal government and those on the Liberal benches opposite who are not in the cabinet to be openminded about this amendment. From the beginning of the constitutional debate last year—we are practically celebrating the anniversary now—the government's major failure has been to be too dogmatic and even downright bullheaded. It has approached the whole constitutional exercise as though it were a Cartesian exercise; everything had to conform to legal and mathematical concepts and schedules removed from the real world of people, problems and traditions. Only when the government was forced by circumstances, especially the Supreme Court ruling, did it bend, did it give, and did it demonstrate an element of flexibility. The government argued and believe strongly, almost *a priori*—and I credit the government for this—that the provinces could never agree on a fundamental rewriting of the Constitution, and it acted accordingly, with predictably disastrous results. The government was proved wrong by cir-

cumstances. The provinces demonstrated the flexibility that the federal government said was not possible.

The government also said the Vancouver formula was unworkable and could not be contemplated. It was proved wrong again in that instance. Now that same formula, the Vancouver formula, has turned out to be the creative proposal which made possible the federal-provincial accord which is the basis of the constitutional resolution we are now about to pass.

Let us not close our minds in the same fashion to this other proposal, this amendment my party is putting forward now. It is a proposal intended to reconcile all Canadians not yet reconciled to the new Constitution at this, the final stage in the patriation process.

The constitutional amendment we have before us is not a complex one, but it is one which begs an element of flexibility to pass. All of us would gain a great deal by exercising now the required degree of flexibility which made possible so much progress to date. The Progressive Conservative Party's contribution to the debate all along has been to bring to bear on the constitutional question flexibility, reason and an understanding of the workings of modern federalism. Our amendment is presented in the same spirit. The final product will be much more compatible with the spirit of federalism and with our parliamentary institutions because all of us achieved a real measure of success by that standard. I remain convinced that Quebec could yet be won over; if not now, then before long. It is vital that all Canadians, Quebec included, feel they recognize themselves in the new Constitution.

• (1700)

In conclusion, may I say that everyone involved in the constitutional exercise this past year can take pride in what has been crafted. Although not perfect, it is far superior to the package originally proposed. We have struck a happy compromise between the fashionable desire for a Charter of Rights and Freedoms that is intellectually satisfying but badly flawed in terms of workability, on the one hand, and, on the other, the goal of ensuring that our political system avoids the rigidities that all too often go hand in hand with entrenched rights. I think we now have a constitutional package that will help protect people's basic rights without at the same time undermining the importance of conventions which in some cases are even more important than anything we might write into laws, let alone entrench.

Consistent with the Canadian practice of flexibility and compromise and consistent with doing what is possible, let us reach out this one last time on the eve of our historic vote tomorrow to bring Quebec with us as we forge a new Constitution for us and for future generations of Canadians.

Passage of the amendment before us may not in itself achieve the goal I have mentioned, but it would signal our common desire to at least try. Even if we should fail, our attempt would constitute a most fitting way to bring our historic debate to a conclusion.

The Constitution

PROCEEDINGS ON ADJOURNMENT MOTION

[*Translation*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Blaker): Order, please. It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Vancouver South (Mr. Fraser)—Fisheries—Condition of Atlantic fishing industry. (b) Reported proposal to reduce number for exporters. (c) Pre-budget discussions; the hon. member for York-Sunbury (Mr. Howie)—Federal-provincial fiscal arrangements—Equalization payments to provinces; the hon. member for Kindersley-Lloydminster (Mr. McKnight)—The budget—Provisions affecting income averaging annuities. (b) Request for postponement of provisions.

The hon. parliamentary secretary to Minister of Labour (Mr. Yanakis) has the floor.

GOVERNMENT ORDERS

[*Translation*]

THE CONSTITUTION

RESOLUTION RESPECTING CONSTITUTION ACT, 1981

The House resumed consideration of the amended motion of Mr. Chrétien respecting the Constitution of Canada, the amendment thereto of Mr. Epp (p. 13492) and the subamendment of Mr. Broadbent (p. 13497).

Mr. Antonio Yanakis (Parliamentary Secretary to Minister of Labour): Mr. Speaker, I am very happy to be taking part in this debate at a historic moment in the existence of this country. I was in the House Friday, November 20 of this year, when the Minister of Justice (Mr. Chrétien) presented the amended patriation resolution. I, too, felt that there was in this House a consensus that I have never seen before on such a fundamental issue. I could not continue these comments without some words of praise for the major architect of the plan to patriate the Constitution, the Prime Minister of Canada (Mr. Trudeau) who, through his insight, his sense of history, his love for justice and his perseverance and patience has made it possible for us to have a constitutional resolution with the scope of the motion being considered in the House today.

The Minister of Justice should also be congratulated on his perseverance during the lengthy negotiations he conducted with the leaders of our ten provinces. His objective was to do what no one had done before since the Act of Confederation, namely, to obtain the consensus of nine provinces. Those who

are quick to criticize and feel that the patriation resolution does not go far enough in protecting the rights of all Canadians, should read again what George Brown said in 1865 before the Parliament of Canada:

> The whole great ends of this confederation may not be realized in the lifetime of many who now hear me. We imagine not that such a structure can be built in a month or in a year. What we propose now is but to lay the foundations of the structure, to set in motion the governmental machinery that will one day, we trust, extend from the Atlantic to the Pacific.

Today, Mr. Speaker, history is repeating itself. We now have an opportunity to make that structure a reality, according to the resolution now before the House. After 114 years, Canada will at last become fully independent. And we shall subsequently be able to make improvements to our Constitution without having to go through the British Parliament. This week, in two unanimous votes in this House, we succeeded in entrenching in this resolution the equality of men and women and the recognition of aboriginal rights.

That recognition, Mr. Speaker, had been deleted from the original resolution at the last federal-provincial conference which resulted in the accord signed by nine provinces, and it was deleted supposedly because the premiers wanted to clarify the situation. Fortunately, as a result of incessant lobbying of the provincial governments by these two groups, the Minister of Justice managed to get a consensus among nine provinces, demonstrating once more the maturity of our country.

I would have liked to see included in the draft resolution a number of other amendments that would have an impact on the daily life of various groups in our society, such as the handicapped, the disadvantaged and others, and especially an amendment to our legislation on abortion in order to protect the unborn child against any attempts to infringe on its right to life. Of course, there is no end to the debate on such controversial subjects, nor is it easy to reach a consensus among the members on both sides of the House and to obtain the agreement of the provinces that signed the patriation plan. Unfortunately, we shall have to leave it up to the legislators and the provincial authorities to gradually improve the Charter, once it is in Canadian hands.

History is, in fact, repeating itself Mr. Speaker, because in 1931, Henri Bourassa, the then member for Labelle, gave upon his return from a conference in London, an account of some comments made by a member of the British House of Commons, and I quote:

> To be perfectly frank, we are rather tired of all this talk about the independence of the dominions, and it is high time you people in Canada, Australia and elsewhere start to prove that you are really worthy of the concessions we are prepared to make. On the other hand, if you are afraid of some minor consequences this might have in your own provinces, you cannot expect us to have more respect for you than you have for yourselves.
>
> Surely, the time will come when wisdom and self-respect in the Dominion or in the provinces will have reached a level where, with the concerted efforts of the federal Parliament and the provincial legislatures, we shall be able to formulate measures with a view to exercising the right to amend our own Constitution.

The time is today, Mr. Speaker, or within the next 24 hours, when we shall vote on this resolution after over a year of debate. During this debate, the Tories have shown as much fatalism and created as much fear and as much discussion throughout the country as they did in 1964 during the debate on the Canadian flag which now identifies Canadians and Canada throughout the world. According to them, this flag would divide Canadians, but it has now created more unity among Canadians and it is the symbol of our pride.

The patriation of our Constitution will give us another opportunity to be proud and to celebrate on Canada Day next July 1. However, Mr. Speaker, even though this Parliament will vote in a few hours on the resolution to patriate our Constitution with an amending formula and a Charter of Rights and Freedoms, I must admit that as a federal Member of Parliament representing a Quebec constituency, I am disappointed and saddened to see that Quebec, because of its government, is not party to the agreement. The Quebec government has chosen to isolate itself from the rest of Canada, but not because the Quebecers wished it, considering that they clearly showed during the referendum of 1980 that they wanted to remain a part of Canada. The Lévesque government has chosen to ignore the views of Quebecers. Quebecers have been betrayed, and I know that the responsible citizens of Quebec will make the Lévesque government pay for it the next time they go to the polls. How can the PQ government assume a separatist attitude when it has been elected following promises not to seek separation during its term of office?

After five years of a Parti Québécois government, we in Quebec have the most unstable economy since the beginning of the Canadian federation. If we look at the latest figures we find a deficit of nearly $3.5 billion, an unemployment rate reaching 10.8 per cent, the highest in Canada, especially among younger people, and an alarming number of plant shut-downs. Such is the price we have to pay for a government which is deluding itself. Mr. Speaker, the constitutional resolution now before us is the fruit of constant efforts by the Prime Minister and the premiers and by all the social groups which had a chance to appear before the Constitution committee which sat for many weeks to listen to the representations that all these people wanted to make to members on both sides of the House, who gave these matters their constant attention. Mr. Speaker, we have a charter which we should be proud of because it guarantees the rights and the freedoms of all Canadians.

Democratic rights, fundamental freedoms, mobility rights, legal rights and linguistic rights are all enshrined in the Constitution and apply from one end of the country to the other. This charter is not perfect, but it is a compromise which will need improvements over the years. Mr. Speaker, in introducing the resolution preceding confederation in the Parliament of Canada, Sir John A. Macdonald stated:

The whole scheme of confederation, as propounded by the conference, as agreed to and sanctioned by the Canadian government, and as now presented for the consideration of the people and the legislature, bears upon its face the marks of compromise.

Of necessity there must have been a great deal of mutual concession. If we had not felt that we were bound to set aside our private opinions on matters of detail, if we had not felt ourselves bound to look at what was practicable, not obstinately rejecting the opinions of others nor adhering to our own; if we had not met in a spirit of conciliation, we never would have succeeded.

This resolution reflects the values, the aspirations, the hopes and the dreams of the majority of Canadians. Aristotle, the famous Greek tribune and philosopher, said this, and I quote:

A good constitution must express the identity of the nation and promote as well the validity and stability of a just and well-ordered society.

I believe we are very lucky to have as Prime Minister a man who is a worthy successor to the great Canadian Liberals who led this country, among others Laurier, King, St. Laurent and Pearson. Ever since he became Prime Minister in 1968 he has been working relentlessly to achieve something which no other prime minister had managed to do in 54 years of endless failures. The easy way out would have been to give up on the constitutional reform or put if off to a later date, and only a leader who truly understands Canada, our country with all its differences and needs, could see why we had to make progress if we believe in Canada.

If the Parti Québécois government still refuses to endorse the proposal to patriate the Constitution it is because it does not have the vision of the great Canadians who led this country. In conclusion, may I be allowed to quote Laurier:

"We are French Canadians, but our country is not confined to the territory over-shadowed by the Citadel of Quebec; our country is Canada; it is the fertile lands bordered by the Bay of Fundy, the valley of the St. Lawrence, the regions of the Great Lakes, the prairies of the west, the Rocky Mountains, the lands washed by the famous ocean where breezes are said to be as sweet as the breezes of the Mediterranean, our fellow-countrymen are not only those in whose veins runs the blood of France.

They are all those, whatever their race or whatever their language, whom the fortunes of war, the chances of fate, or their own choice have brought among us. As far as I am concerned, those are my fellow-countrymen. I am a Canadian. The rights of my fellow-countrymen of different origins are as dear to me, as sacred to me, as the rights of my own race. What I claim for us is an equal place in the sun, an equal share of justice, of liberty; that share we have it; we have it amply, and what we claim for ourselves, we are anxious to grant to others.

Mr. Speaker, that is our role here as Liberal members. That place in the sun we want as well for the people of Quebec who, for all practical purposes, are now isolated and all alone. Mr. Speaker, I want to assure all the electors of the riding of Berthier-Maskinongé-Lanaudière that in the future I will do everything along with my colleagues so that Quebecers will choose a government which will join the other provinces with a view to benefiting from the advantages and the wealth that this great country has in store for all Canadians.

● (1710)

[*English*]

Mr. Bill Blaikie (Winnipeg-Birds Hill): Mr. Speaker, this is the last day to debate in the House of Commons, as everyone knows, the proposal to patriate the Canadian Constitution with a Charter of Rights and Freedoms and an amending formula. We are approaching the moment when Canada will become a constitutionally independent country. I want to say now how historically privileged I feel to have been able to take part in this process and how equally privileged I feel today to be able to comment in these final stages of the debate.

Since October, 1980, when this long and difficult process began following the proposal of the Prime Minister (Mr. Trudeau) for unilateral action, I have learned a lot about Canadian politics, about Canadian federalism, about my own party and about my colleagues and their parties. I think it has been a tremendous learning experience for every hon. member, although exceedingly painful at times, as is often the case with human growth.

If I might be allowed a comment at this point, the debate was not often what it could have been, in my view. The strongly held views of people with differing opinions were often held up to ridicule and made out to be something other than they really were. People who opposed a Charter of Rights and Freedoms, at least those who opposed it out of the long and legitimate tradition of parliamentary supremacy and common law, were often falsely caricatured, I believe, as enemies of freedom. People who supported unilateral action or unilateral patriation out of a genuine sense of urgency that this be done were often made out to be arrogant and uncaring conspirators who somehow were trying to foist a unitary state on Canada. One issue was played off against another. If one did not like the amending formula, one was against independence. Or if one thought it was as good as any other formula that had ever been presented, one was selling out certain regions of the country.

I say this by way of collective self-criticism, something we Members of Parliament should do more of, it would seem to me. In the final analysis, I do not think that we generally conducted ourselves in such a way as to help Canadians as much as we could have to understand what was really going on, what was really at stake and what significant changes were being contemplated in the life of our country.

Perhaps this is just the nature of politics, but I hope not. I fervently hope that the political process is capable of producing higher levels of debate than the great Canadian Constitution debate would have sometimes indicated, although there were high moments.

The problem, it seems to me, is one of respecting differences among us. Canada is a land of many linguistic and many cultural traditions. We have often heard this said. It is also a land of many different political traditions. It is just not the case that some Canadians are right and other Canadians are wrong. There is a range of perceptions in this country which must be given full respect. Of course, there are others which do not deserve such respect.

I am not saying that all views are equal to one another, but rather that there is a core of differing ideas about, and images of, this country which, if possible, should be reflected in the Constitution of Canada.

● (1720)

Our differences should be respected. We have quite appropriately done a lot of talking about respecting rights in this debate, while showing little or no respect for the differences among us. We have had precious little to say about other concepts which, in my view, are necessary to the existence of an authentic human community. I am referring to concepts such as responsibilities and obligations—the responsibilities of individual Canadians one for each other and the responsibilities of individual Canadians for the community, through their governments and other institutions, for the well-being of people socially, environmentally and politically.

But this was all outside the parameters of the debate to begin with. In a sense, what we have always had before us in this debate is a proposal finally to entrench the best political ideas of the now waning liberal era—that is, the rights of individuals versus the state and the rights of minorities. We do not make light of these victories. They are victories that people in my party and those involved in the political tradition in which I stand have long fought for. But they will not suffice by themselves to carry us into the post-industrial society of the twenty-first century, because an appropriate individualism in the liberal era has been accompanied always by an inappropriate individualism, indeed atomism, in our notions of the economy and of society as a whole. Because this is the case, we are in desperate need of recovering and recreating a sense of the whole, of the common good, and of society as an organic reality in which certain values as well as rights are respected.

In this respect I should like to say something about the significance of the public support demonstrated for the recognition and affirmation of aboriginal and treaty rights in Canada. This public support exceeds the limited wording and limited support found in the resolution as a result of the inclusion of the adjective "existing" in front of the concept of aboriginal rights. This public support is significant because a significant thrust of the now waning great industrial liberal era—and I am always using "liberal" in the small "l" sense—has been the urge to assimilate and homogenize all peoples into one big happy family of consuming and producing economic units.

Members of all political parties, at least the old line ones, have participated in this general vision of society. The aboriginal rights clause is one of the few places in the act before us where liberalism is transcended and a way is pointed into the future and away from the past, a past full of wrong relationships with the native people of Canada. Hopefully it points toward a future which will finally see a right relationship grow up between native and non-native Canadians.

To a great extent our historic approach to native people was conditioned by the absolutism of western Christianity and its missionary zeal for conforming everyone to its way of life. But like the Christian Jews in the Book of Acts who thought that Greeks would have to be circumcised in order to become Christians, western Christianity thought that the gospel meant that the Indians, and indeed everyone else, would have to become something other than themselves. Coupled with a not unrelated economic and military expansionism, we get the recipe for the type of attitude with which native people were met when confronted with traders, settlers and finally industrialists.

The situation in which we find ourselves today is quite different. In my view, it is one full of potential. Native people are beginning to recover a lost sense of self-esteem after having their culture looked down upon for many years. White people are no longer so confident that their ways are all that great. As the meaningless violence, pollution and shattered economic dreams become worse and worse, many non-native Canadians are coming to doubt whether the way of life they wanted to impose upon everyone, in the name of Christianity or in the name of its secular synonym, "progress" is not something which is fatally flawed, something from which we need to be freed.

We can obtain that help, in so far as we recognize the need for it, in a number of ways. One way to obtain it is from people who are not identical to us and can, therefore, tell us something about ourselves that we need to hear. Native people are such people, in so far as they have roots in a culture which was and is quite different from ours. This is not to say that all native people are eloquent critics of modern society. Indeed, some would mistakenly like to be like us, but many have resisted and rebelled against that in our industrialized and mechanical way of life which they found to be inhuman and harmful to mother earth and indeed to human life.

This resistance has often been despairing and self-destructive, but now it has an opportunity to become a creative and critical resistance, with political status which calls upon non-native Canadians to listen for our own good as well as the good of native people. As we move into the post-industrial era, whatever that might mean—and there is great debate about its meaning—we will need the advice of futurists, of philosophers and, we in the New Democratic Party contend, of democratic socialists. Also we will need the help of people with pre-industrial perspectives, something which, unlike Europe, non-native Canadians lack.

Some hon. Members: Hear, hear!

Mr. Blaikie: We in this party look to the recognition and affirmation of aboriginal rights as a step in this important direction.

In the same way I think what has been happening in Quebec must be understood in this light. The Québécois are reaching out for a way to be a community, to be an identifiable people, and to have a chance to do and to be something unique by getting off the slippery slope leading to the North American melting pot. They want their uniqueness as not just another province recognized; they want to use their uniqueness in the service of the larger human community.

We in this party want them to do this. We believe they can do this within the larger context of Canadian federalism. It is to that end that we have moved an amendment to the motion of the Right Hon. Leader of the Opposition (Mr. Clark) which

recognizes the uniqueness of Quebec within Canada and allows it to contribute to, and be a part of, the Canadian future.

I, like many other English-speaking Canadians, have felt somewhat like a spectator to the great battle raging within the hearts and souls of our French-speaking fellow Canadians. But if it be okay for the Prime Minister to come out and lecture those of us in the west, perhaps my humble advice will be heeded.

There are growing numbers of Canadians who see in the aspirations of Quebec people not the stubborn obstinacy of people who will not give in to the inevitable and who make life miserable for everyone else, to put it most negatively, but they see in those aspirations a local example or instance of something happening all over the globe, where people are trying to ground themselves and their sense of community in something more meaningful than the global consumer society, whether metropolis or hinterland. People seeking this renewed sense of community will be a regressive step only if we do not see it for what it is and affirm it. Particularity must find its place in the universality that must also come if the planet is to survive. The problem is falsely put, I believe, if it is put in such a way that we must choose between tribalism and uniformity. In this respect, Canada has a sombre responsibility. If we fail in dealing with this human problem, with all the good will and abundance that we have at our disposal, then who, I ask, can succeed? We must succeed.

• (1730)

In so far as the constitutional accord of November 5, as amended in the House to reinclude stronger protections for the equality of men and women, and the aboriginal and treaty rights of the Indian, Inuit and Métis does this, it deserves our support. It is not the divisive document that it once might have been. Although we will never know, because it never went ahead. But this new document does not represent a victory for one side and a loss for the other. It is imperfect. However, it is worth voting for, in my opinion.

Only time will tell if it will live up to its expectations. However, without constitutional political reform, that is to say, without reform of the Senate and the House of Commons giving the regions more power at the centre, without economic reform, and without social and economic justice, this document will not be enough. Without an independent Canadian economy, this document will only be the shell of a yet unrealized independence.

Some hon. Members: Hear, hear!

Mr. Blaikie: Canada has a long way to go. We in this party will continue to work for these and other things that remain undone, like seeing that aboriginal rights are defined in a profound way, as opposed to a narrow, legalistic way. This we will be doing when we have the opportunity to move an amendment relating to the consent of aboriginal peoples to constitutional amendments affecting their rights.

Nevertheless, I think many hon. members would agree with me that there is a need to share with the Canadian people the feeling of relief that an agreement has been reached and that we have come this far. I also hope there is a willingness on the part of the Canadian people to forgive people of differing views and also politicians for sometimes seeming to be obsessed with the Constitution, because constitutions are and will be important, and this Constitution is important. I, for one, am glad that, all things considered, we took the time that we did.

I am confident that history will record that the contribution of my party, the New Democratic Party and its members, was a constructive and a helpful one, that our hearts were in the right place and thus we, along with others, can once again lay claim to a formative role in the future of Canada.

Some hon. Members: Hear, hear!

Mr. Roy MacLaren (Parliamentary Secretary to Minister of Energy, Mines and Resources): During the course of this debate we have heard, quite rightly, of the vital social and cultural forces which have shaped our country since its inception. In contemplating a new Constitution, we have heard of the moral and legal responsibilities which we in this House must accept regarding, for example, the status of linguistic minorities, women and aboriginal peoples. Moreover, we have been eloquently reminded of our responsibility to the larger concept of our nationhood, to the very scheme which created a nation of two founding peoples. That concept expressed the kind of Canada that we not only wish to have, but which we must have if we are to face the future both united and strong. For over a century hon. members of the House in realizing this have attempted to create a nation based on cultural and linguistic justice. However, from the beginning they went further and also recognized the economic necessity behind the movement to union.

Confederation was, of course, achieved in the midst of a particular set of circumstances. Social, political and economic conditions of the mid-nineteenth century naturally constituted the starting point for the architects of confederation. As one might expect, their historic efforts bear the mark of their own time. The strengths and weaknesses of the federal structure which they created cannot be explained without considering the circumstances of its birth.

As hindsight demonstrates, some of those circumstances were peculiar to the turbulent era of the 1860s; but, in several ways, they have something in common with those of today. In 1867, Canada was in a period of great transformation, much as it is today. At the time of the confederation agreement, we were moving from water transport to the railway, from frontier self-sufficiency to the greater mutual dependence of industrial diversification, from colonialism to the nation-state. Economic factors in the movement toward confederation were rooted in the new economy of steam and railways. The British North American colonies were strung out across a huge continent divided by mountains, rivers, lakes and prairies. The union, it seemed, would really be possible only once the railway had been built. Intercolonial railways were the necessary physical basis of confederation; but at the same time confederation

appeared to be the necessary political basis for intercolonial railways. Those who wanted either one or the other were inclined to a plan by which both could be achieved.

In every colony of British North America, the construction of railways inspired hopes for economic prosperity; but the debts incurred in the process, in turn, created new burdens. Moreover, the imminent abrogation of the reciprocity trade agreement with the United States underlined the need for greater internal trade within British North America. Our predecessors looked to the south and saw territorial expansionism, profound political upheaval and an aggressive economic competitor. They looked across the Atlantic and saw the weakening of the imperial connection. Those forces hastened confederation in spite of all colonial rivalries, differences and ambitions. The necessity for economic union had become clear.

Today, the movement to renew our Constitution also has economic roots. Today, we are linked by a sophisticated transport system, an increasingly innovative and complex economy, an economy of high technology and massive industrial and resource projects requiring the collective ingenuity and effort of all Canadians. We are, however, still divided by mountains of sorts, those artificial barriers which we have created amongst ourselves, barriers which can limit the realization of the full benefits of a true economic union.

Macdonald, Cartier, Langevin and Tupper were obviously not soothsayers. They could not anticipate the more diverse and extensive governmental responsibilities of our time. Macdonald, however, had no pretensions about the immutability of the original confederation agreement. He saw it as a skeleton, a framework which would not bind us down. Yet that elasticity, which was one of the most valuable characteristics of the agreement, has been eroded over the years, a victim of federal-provincial, social, political and economic divisions. Macdonald's concept of Canada was of a strong, united economic entity, a common market, one where all citizens could benefit equally from the free flow of goods, services, capital and labour.

We now have the opportunity to consolidate Macdonald's vision by meeting the demands of new economic challenges, challenges of telecommunications, industrial diversification, resource management and environmental protection within a renewed Canadian common market for the benefit of all of our citizens.

While the social ramifications of our new Charter of Rights and Freedoms are evident and have been much discussed, what has not been equally recognized is its economic importance. Those who have recently argued that they would prefer to concentrate wholly upon the current economic concerns rather than bringing the Canadian Constitution home with an embedded Charter of Rights and Freedoms would do well to examine that charter more carefully. With the recent energy agreements with the western provinces, Canada stands on the threshold of the greatest wave of capital investment in its history. If Canada is to have full meaning, all Canadians must have the opportunity to share in the material benefits of our future economic growth. The mobility rights in the charter can do much to provide that necessary equality of opportunity. Equally, the pending surge of investment will be greater if it can be carried forward against a background of a clearly understood Constitution. Uncertainty, whether commercial or governmental, is not an easy bedfellow of investment.

● (1740)

The realization of our full economic potential can only be achieved if large capital investment is matched with greater productivity and more Canadian sourcing of goods and services. But achieving the maximum benefits will be possible only to the degree that the Canadian federation is a true common market. In several important respects, it has become less so over time.

John A. Macdonald was quite certain about the right of Canadians to live and work anywhere. "We are one country", he said, "and we go from one province to another as we do from one town to another".

Today one half of all Canadians move every five years, one in 20 moving to another province. But this fundamental need of Canadians, living in a vast and, in many respects, undeveloped territory has been neglected by some provincial governments. In their eagerness to secure the benefits of local industrial development for the people of their provinces, they have, with notable ingenuity, erected arbitrary barriers to the flow of manpower, capital, goods and services within our country.

The British North America Act appears to rule out any obstacles to the free movement of goods within Canada, yet provincial contrivance and past judicial interpretation, largely in London, has succeeded in limiting even that essential element of our common market. Capital has also been hindered in its efforts to seek investment opportunities by certain provincial regulations of particularly myopic character. The result of all this is that many provincial regulations now weaken our common market, reducing the gains that could otherwise be made by, for example, greater industrial specialization. In short, we are ourselves hindering the realization of our true economic potential by restrictions which, paradoxically, would be impossible in the European Community today.

Labour and capital are not being used as efficiently as possible. Examples of provincial barriers to mobility are readily at hand. They limit the freedom of Canadians to work anywhere in Canada. Certain areas of the country with unusually high unemployment should be allowed positive work-related programs for their citizens, but without inhibiting equal access of all Canadians to employment.

Elimination of these barriers under our new Charter of Rights and Freedoms will provide Canadian industry with longer production runs, greater opportunity to supply the world-scale markets of megaprojects and to compete more effectively abroad. Canadian industry has typically been at an international disadvantage in terms of size, partly as a result of the high degree of foreign control. Its development is only further stunted by the internal distortions and barriers which we have erected among ourselves.

It becomes quite clear that John A. Macdonald's hopes for an economic union, providing for the unrestricted movement of capital, goods and labour, have fallen victim to the vagaries of time. The integration of the Canadian economic union remains to be completed. The free circulation of goods, services, capital and workers has not yet been assured. The Constitution of 1867 has been unable to accommodate economic programs necessitated by consequent progress in virtually every field of economic endeavour.

Thus, Mr. Speaker, history has repeated itself. Several forces associated with economic transition that led to the union of the British North American colonies are in some respects similar to the ones confronting us today. Clearly, economic changes inherent in our age demand the strengthening of our economic union.

But before we can strengthen the fibre of our economic union, we must ask why provincial governments have created these defensive barriers? The answer, it seems, lies in their notion of their respective provinces' historial place within the Canadian economic union. Many of the difficulties encountered as the national government has attempted to ensure the success of the national economy have contributed to an attitude of grievance and, in time, to a particular interpretation of our history. This sense of grievance has been evident in both the maritimes and the west where I was born and raised.

Some westerners, for example, have argued that the protective tariff in Macdonald's national policy, freight rates and the question of natural resource control all illustrate the inequitable nature of the economic relations that have existed between the western hinterland and the central Canadian region. Some who embrace that view of our history have contended that the policies which formed the backbone of our original economic union have been deliberately used to retard western development to the benefit of the more densely populated and economically diversified central region. This situation, in turn, they have argued, has historically kept the western region dependent upon central Canada. Partly as a response to this belief, some provincial premiers have recently erected the barriers already mentioned.

Indeed, the west, like the maritimes, has had to face the realities of an imperfect union, as in some sense have all regions of Canada. While complaints about the historic nature of the union and consequent responses are understandable, they are not entirely fair for they see just one side of history. I agree with Professor Careless when he suggests that "Western problems have to be judged in the light of the fuller Canadian record; regions are not closed entities, embattled armies of us against them, but interlinked communities in broad national and international frames."

The regional view of the west within confederation expresses one-sided judgments. The protective tariff, for example, was one part of an over-all national policy aimed at creating a Canadian union, including the west, by fostering a more diversified economy with a broader home market, an economy that would not be absorbed by an expansionist United States. Moreover, the development of the western region clearly depended in part on the capital generated by the older industrial central Canadian region. Undoubtedly, Macdonald and his contemporaries considered the west an area to be developed under the direction of the national government, but could the Fathers of Confederation think otherwise when a western regional community had yet to be created? Moreover, the regional view of economic union fails to consider the fact that industrial progress in central Canada was well under way before an important western market existed. Western metropolitan centres, not unlike those of the east, have in fact greatly benefited by protection of past Canadian economic policy.

The early federal control over the natural resources of the western provinces have left unhappy memories in the minds of some, memories which have resurfaced recently. It should be emphasized, however, that, given the limited western settlement and the difficulties of governing the west in the early years, central resource control was both justifiable and effective. Today, that control lies largely within the legislature of each province. The recent agreements between the producing provinces and the Government of Canada affirm that principle, but do so in a way which will not only greatly benefit the west but all regions of Canada.

It is simply a truism to state that the building of our economic union has been made possible largely by the economic mobility which has prevailed through most of our history.

• (1750)

Our constitutional task facing us today is to ensure that Canada is a country without internal barriers. Accordingly, a guarantee of mobility that is included in the Charter of Rights and Freedoms. This is the only way that we can assure ourselves of the prosperity and sustained economic growth that we all seek.

Many of the historical impediments to regional economic development seem to be eroding with new technology, the accumulation of capital and the realization of the importance of research and development. In Western Canada, natural resources have made possible the more rapid establishment of a diversified industrial base. Many decades ago, the transition from sail to steam retarded the economic development of the Atlantic region. Today, that region benefits from the advances of technology associated with the exploitation of its various maritime resources. Quebec too is witnessing the transformation of its economy through technological innovation. In Ontario, research and development are creating new products and industries which benefit all Canadians and which can compete in the international marketplace.

In our over-all economic possibilities, nature is on the side of Canada. It would indeed be an irrecoverable loss for both the regions and the larger Canadian union if the benefits of these great developments were to be confined merely to the province of their birth. The national economy, so important to the thinking of the Fathers of Confederation, would have realized far less than its original promise.

To accept the view that a true economic common market is unrealistic or irrelevant to Canada's future is to question one

essence of the initial move toward confederation. It is not the extent of a country, Alexander Galt claimed, but the diversity of its economic interests which is the real guarantor of greater prosperity. We in this House must now provide the necessary unity to allow those diversities to interact and to achieve their full potential.

The constitutional guarantee of our economic union, to be embodied to a substantial degree in our new Charter of Rights and Freedoms, must suit the Canada of today and tomorrow. It is also essential in a more symbolic way. To both foreign and domestic investors, reassurance about the fundamental character of the Canadian economic union will help to provide the impetus to the next stage of our economic growth, which in turn will do much to resolve the economic and social uncertainties before us.

The constitutional proposal which we are now considering, motivated by the social, political and economic circumstances of our own time, will set the building blocks for a new Canada, the Canada of the twenty-first century. "Whatever you do" said John Macdonald, "adhere to the union. We are a great country, and shall become one of the greatest . . . if we preserve it; we shall sink into insignificance and adversity if we suffer it to be broken." Thank you, Mr. Speaker.

Mr. Taylor: Mr. Speaker, I beg leave to call it six o'clock.

Some hon. Members: Agreed.

The Acting Speaker (Mr. Blaker): Is there consent to call it six o'clock as requested by the hon. member for Bow River (Mr. Taylor)?

Some hon. Members: Agreed.

The Acting Speaker (Mr. Blaker): I think I understand clearly the hon. member's intention, and that is that he calls attention to the fact he has been recognized. He will have the floor at eight o'clock, barring points of order or questions of privilege.

It being six o'clock, I do now leave the chair until eight o'clock this evening.

At 5.55 p.m. the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

The Acting Speaker (Mr. Blaker): Order, please. When the House rose at six o'clock, the hon. member for Bow River (Mr. Taylor) had the floor.

Mr. Gordon Taylor (Bow River): Mr. Speaker, Canada is a wonderful country. It has tremendous potential, tremendous natural resources and a robust, working people. There is every reason for Canada to be one of the great nations of the world.

When a country changes its constitution it has the opportunity to provide for and meet the needs of its people—Canadians in this case—in the modern world. It presents a further challenge to effect greater achievements.

The changing of a constitution could present a grave danger if it is done in the wrong manner. It could result in the country breaking up.

Tonight I would like to deal with a short review of what has happened in regard to constitutional change in Canada. I want to start by saying that the people of Canada should, and I say this reverently, thank God for men like the Right Hon. Leader of the Opposition (Mr. Clark) and the hon. member for Provencher (Mr. Epp) as well as the Progressive Conservative Party. Without our party the Constitution would have been brought home a long time ago and by now the country would probably be separated into three segments. That is what was happening when this constitutional resolution was first brought in. So divisive was the approach to constitutional change taken by the Prime Minister (Mr. Trudeau) that millions feared we would never again be a united Canada, if indeed we continued to have a Canada at all.

The Trudeau package would have broken the country up or created a unitary state. In clear language, it would have created a socialist republic.

The struggle that ensued in the House and throughout Canada proved the worth of the British parliamentary system. When the Prime Minister announced his constitutional package on October 2, it was a unilateral package in a country which had never been used to unilateral policies. It had an amending formula which had been secured ten years before without support from many parts of the provinces, even though some premiers had signed it. It also contained a charter of rights. When the Prime Minister announced his constitutional proposal, there appeared to be a feeling among many people that this was the package which was to go to Westminster. The Leader of the New Democratic Party (Mr. Broadbent) jumped on the bandwagon and supported it. He thought it was wonderful. However, the leader of the Progressive Conservative Party stood up and said it was a dangerous and divisive package, and that message went across the nation and was talked about in our homes and at our work.

The Prime Minister wanted to get to Westminster as quickly as possible to have his constitutional package signed before the people of Canada really knew what was in it. But the leader of our party stopped him in his tracks at every turn before the Prime Minister was able to get to the airport.

The Prime Minister set many deadlines, and I will deal with a few of those deadlines now to illustrate what actually happened. The Prime Minister was going to send the package to England in May and have it back before the summer recess. In June of 1980 he indicated he was going to have it back by July 1. The Leader of the New Democratic Party was urging him to move it faster. The Prime Minister was going to go as fast as he could. Had it not been for the official opposition in the House, the resolution would have been over there and back. However, he had to keep changing his deadlines because

more and more people of Canada were finding out what the package contained.

• (2010)

On November 11 the Prime Minister said we would have it on July 1 of the next year. On April 1, 1981, he said he would have it on July 1, 1981. He kept setting deadlines. Instead of trying to get input from the people of Canada, he endeavoured to push the package through.

A committee was set up, and closure was imposed. I was astounded by one part of a speech made by a parliamentary secretary yesterday when he said his sister or some other relative was in the gallery on the night of the closure and that she felt terrible. We all felt terrible because we were dealing with a document which offered this country freedom of speech, yet the government was closing off debate and refusing scores of our members an opportunity to speak by saying we could not talk about the Constitution of Canada. It was a very sad picture.

I say again that I am glad there were men who were ready to stand up to that, and the Progressive Conservative Party stood up to it.

I want to deal with a few of the items that were in the package at that time. The committee was going to have some nice, cosy little chats but, because of the force of the combined opposition, the government had to permit television, had to hear groups from across the country—the disabled, the Indians, the women and many others—and had to allow them to come and make representations. We stopped hon. members opposite in their tracks in that respect too.

Gradually people started to find out what was in that package. They knew about the unilateral action. The Prime Minister was proceeding without the consent of the provinces and without any consensus. He used the excuse that he was frustrated after 54 years—and that reference to 54 years was a misstatement too. Much progress had been made in those 54 years. The charter had never been mentioned until very recent years. It was an addendum.

Unilateral action was bad enough, but then the Victoria amending formula was suddenly presented to the premiers in 1971 in Victoria. Like the Premier of Alberta, all the premiers were convinced that they should sign on the spot without reference to their legislatures or their cabinets. That was how the federal government obtained their signatures. It was no wonder that when the Premier of Quebec got home and talked to his cabinet, he immediately said, "Take my signature off". We owe Quebec a great deal for that act because this country was saved from being divided. With it, the people of Alberta, British Columbia, Saskatchewan and Manitoba would have been second-class citizens. The people of the maritimes would have been second-class citizens. Only Quebec and Ontario would have had the power of veto for all time regardless of what their populations would be. That was the formula which would have gone to England in 1971, as if it had the support of the people. It had the support of a few men who were talked into it, without reference to their cabinets or their legislatures. That could never happen again.

Freedom of the press was included in the charter of fundamental rights and freedoms but, oh, no, we cannot include property rights because they are under provincial jurisdiction pursuant to the BNA Act. Well, so is education a provincial responsibility under the BNA Act, but there was no hesitation whatsoever in putting language of instruction in the charter. Mobility rights were also included. It would almost make me laugh if it were not so sad. For years hundreds of people from the maritimes, Quebec, Ontario, Manitoba, Saskatchewan and British Columbia have been coming to Alberta and working. I do not know of any who were driven out. Even those who could not speak the language came, and they have jobs. I spoke to many of them at Fort McMurray, and they were glad to get jobs out there. There is no discrimination because they came from other provinces. There might have been some in Ontario and Quebec or there might have been some problem in the maritimes, but there certainly was not in western Canada.

Hon. members opposite talk about what a wonderful thing it will be that mobility rights will be included in the Constitution, but I look at Quebec and see that one cannot hold a job if one does not speak French. What good are mobility rights to people in western Canada who speak only English? They are no good at all. This is a backhanded way of saying we are doing something in the charter. Mobility rights will be meaningless unless we can speak French when we go to Quebec, at least under the present laws, which are illegal.

Mr. Caccia: Shame on you.

Mr. Taylor: Just try to get a job there today. Many people are leaving there, many Canadians of French origin are leaving there because they object to what is going on. I talked to one in Calgary just the other day. He became fed up. If this government wants to promote unity across the country, why does it allow favouritism in one province?

Mr. Caccia: What favouritism?

Mr. Taylor: The Quebec government is stopping people from putting up English signs and stopping them from working if they speak English, and the government here does nothing. Hon. members opposite talk nicely, as the Minister of Labour (Mr. Caccia) is doing now—he is chattering away to himself—but it did not take the Liberal government long a few years ago to declare the policies of the Alberta government ultra vires. Oh, no, it did that almost overnight, but the policies of Quebec which are ultra vires the BNA Act go on and on. This is not right at all. Hon. members opposite should not try to tell me it is.

I do not believe people should have special privileges. The section on the language of instruction will not make any difference in the province of Alberta. In Alberta a student can progress from grade one to university in the French language if he wants to do so. We do not stop people from putting up French signs. We do not stop them from putting up Ukrainian signs or Polish signs, but in Quebec there is a rule that English

signs cannot be put up, this in a country which is predominantly English. Forcing all signs to be in French is completely wrong.

With respect to special privileges, we introduced an amendment to make compensation payable to everyone on the same conditions. The New Democratic Party introduced a subamendment proposing that we pay only Quebec. That is special status. That was what the original charter did, too. It provided for special status for one or two provinces and did not worry about the rest because their populations were not large enough. The people of Canada did not go for that. Hundreds of people in Ontario and Quebec do not go for it either.

I do not agree at all with the New Democratic Party subamendment respecting compensation on the basis of special privilege. We have fought for the equal status of every province, and one province should not have special consideration. There is too much special consideration already. Hon. members in the Liberal Party have been buying their continued power. No wonder the people vote Liberal time after time.

Let us look at what the Liberal Party does with DREE grants. In 1981 Newfoundland received $3.5 million; Prince Edward Island, $1.2 million; Nova Scotia, $5.9 million; and New Brunswick, $18.5 million. These are all have-not provinces. Quebec received $70 million; Ontario, $8.9 million; Manitoba, $3.4 million; Saskatchewan, $2.5 million; Alberta, nothing at all; British Columbia, $1.3 million; and Yukon, nothing at all. The total amount received over 13 years by Newfoundland was $28 million; Prince Edward Island, $20 million; Nova Scotia, $75 million; New Brunswick, $100 million; Quebec, $494 million; Ontario $88 million; Manitoba, $83 million; Saskatchewan, $29 million; Alberta, $35 million; British Columbia, $10 million; and Yukon, $.1 million.

It is clear that hon. members opposite keep buying their way back into Parliament. There has been favouritism and special status. I do not go for that at all. I did not like favouritism when I was in school, and I do not like it in the nation, either.

The government refused to include property rights. Everyone in this land wants to own property. I know the British North America Act says that. It also says that education is a provincial responsibility. There is no difficulty putting in language, none at all. There are other items in the charter. What was it like then? There was unilateral action. What is it like now after the struggle in Parliament and throughout the country? Now we have consensus.

● (2020)

The Prime Minister did not want this to go before the Supreme Court of Canada. He said many times that would not be done. However, he was forced to do it by the will of the people. The opposition put up a fight and insisted on it. We had to carry out a filibuster to do so, but we did it for the good of this country. Now we have consensus. The Liberal members are now trying to take credit for the consensus. We would not have had it had this resolution not gone to the Supreme Court of Canada.

We now have an amending formula, not the Victoria one with its veto but one with equality for the provinces, one with consensus. At least seven provinces must consent in order to change the Constitution. There was to be no reference to the Supreme Court, but it was referred. There was no equality for women. There is now equality for men and women in the charter. There were no aboriginal rights in the original charter. They were taken out. They are now back in, albeit with no definition. I hope the government is not trying to fool our aboriginal people by holding out a carrot: aboriginal rights without definition. We have asked the government to define these rights and to be fair to our native people. The Indian people in particular have suffered for a long time in this country. They should not be fooled. I hope they will not be.

There was no opting out before. Now there is. There was a nice cosy deal between the Prime Minister and the Leader of the New Democratic Party with regard to natural resources. Now the provinces are not getting what they already had under the British North America Act. However, the premiers did not fall for that. In the new package, provincial ownership is confirmed. There is a "notwithstanding" clause as well.

I said that this is a wonderful country. I am going to support this charter. However, it does not deal with abortion. I wish that protection were given to unborn children. It does not do anything with regard to capital punishment. This country is rampant with criminals. The police are not able to do their jobs.

Yes, Canada is a wonderful country, but it is going down the tube. We are killing incentive, driving out investment, discouraging savings for retirement or building a house. Farmers cannot even get a mortgage. Millions are unemployed. Our new Constitution will not solve any of these problems. What we need is a fresh government with new policies that will let free enterprise work in this country.

The Constitution is a different package now. I intend to support it. When it comes back with a new amending formula, we will be able to make changes in order to prevent abortion on demand, killing of unborn children, and murderers being let off scot-free or put in prison for only ten years or so. I am going to support the package on the strength of the idea that with the new amending formula we will be able to make changes when it comes to this country.

I again want to pay tribute to the leader of this party, the hon. member for Provencher and other members, particularly at the committee stage. I pay tribute to all those in this party who stood behind our leaders who carried out such a valiant fight. It was worth while. We now have a package we can send to Westminster.

[*Translation*]

Mr. Louis Duclos (Montmorency-Orléans): Mr. Speaker, I have been a member of this House for a little over seven years, and I have never heard anything as stupid as the comments just made by my colleague from Bow River who, to a degree most unusual in this House, has been making a spectacle of his ignorance. I suggest he take the figures he was quoting for

DREE grants and divide them by the population of each province, a very simple mathematical operation, and he will see that Quebec is not getting more than its fair share.

Mr. Speaker, at the end of the constitutional conference at the beginning of November this year, the Premier of Quebec gave three reasons why he felt that Quebec could not sign the accord entered into by the federal government and the nine other provinces of Canada. First, he mentioned his disagreement with Section 6 of the draft resolution which dealt with mobility rights. Second, he indicated his disagreement with Section 23 which, he felt, would seriously restrict Quebec's constitutional powers with respect to education. Third, he did not agree with the absence of fiscal compensation from the amending formula.

Mr. Speaker, I do not think the issue of mobility rights warrants a lengthy discourse. I fail to understand why anyone would object to the entrenchment of such a clause in the Charter of Rights. Why, in the Common Market, workers can move freely from one sovereign state to another sovereign state, while here in Canada, there are any number of barriers that prevent Canadian citizens from moving from one Canadian province to another, all within the same country. I feel that this objection is not well founded and is basically an expression of the separatist leanings of the Quebec government. I do not intend to dwell further on Section 6. Personally, if this were the only problem, I would unreservedly support the resolution which is now before the House.

Now, regarding the second objection made by the government of Quebec and which concerns the minority language educational rights guaranteed under Section 23, that is an entirely different matter. Basically, Mr. Speaker, what we must ask ourselves if we want to consider this issue seriously is: Does Section 23 truly guarantee that francophones outside Quebec and anglophones living in Quebec will have the same rights? Curiously enough, if one merely reads the wording of Section 23, it would seem that the section is more favourable to francophones outside Quebec, because under Section 23, any person with French as his mother tongue, whether that person was educated in Canada or outside Canada, would be able to go to French schools outside Quebec. While in the case of anglophones in Quebec, because of the restriction included in Section 59, it would be necessary to have been educated in English in Canada.

● (2030)

But in practice, Mr. Speaker, what are the real facts? In practice, I think that true equality will not stem from that section, if only because the where-the-number-so-warrants restriction will cause a lot more problems to French-speaking people outside Quebec than to English-speaking Quebecers. It is simply a matter of being somewhat familiar with the geographical distribution of French-speaking Canadians outside Quebec and to be aware of the concentration of English-speaking Canadians in the western part of Quebec to realize that in the case of English-speaking residents of Quebec, the where-the-number-so-warrants restriction will not be a source of major problems since, in any event, even outside the greater Montreal area, the entire structure is already in place. One of my colleagues told me that in a certain village of the Gaspé area they have one English school for 15 families. With respect to French-speaking people outside Quebec, everything will be left to the discretion or interpretation of the courts, and we have no guarantee that their interpretation will meet the needs of French-speaking Canadians. I will come back to that later on, Mr. Speaker.

Second, Section 23 does not give French-speaking people outside Quebec the possibility of getting organized or of setting up their own structures which they will be able to control themselves, namely, school boards. We are all fully aware of the 35 per cent of French-speaking Ottawans who, for years now, have been complaining and urging the government of Ontario to allow them to control their own institutions. The answer has always been the same—no. Compare that with the situation prevailing in Quebec, and I would suggest that nobody can argue the contrary.

Besides, Mr. Speaker, the French-Canadian Association of Ontario sent a letter to the members and the senators of the Canadian Parliament. I will not read it because I may run out of time. In it they stated just how essential it was to guarantee their future in Ontario, more particularly in the Ottawa area, and to what extent it was also possible to find a satisfactory formula to enshrine that right in the Constitution. Mr. Speaker, I think that by putting the Canada clause in the Constitution we are asking Quebec to take a certain risk. Well, the province could take that risk or pay the extra costs to the extent that they would be offset by equivalent benefits for French-speaking people outside Quebec. It was with that in mind that I wrote to the Prime Minister (Mr. Trudeau) on November 17 to propose a draft of Section 23 whose result would have been to use the treatment reserved for the English minority in Quebec as a standard to define the rights of French-speaking people outside Quebec.

As you know, Mr. Speaker, our French-speaking brothers outside Quebec have good reasons to be concerned. Indeed, whether it is the Federation of Francophones Outside Quebec, the French-Canadian Association of Ontario, the Association of French Canadians of Alberta or the Association of French Canadians of Saskatchewan, they are the people who have to live in those conditions every day, and I think they are in an ideal position to assess the situation and the kind of life they lead in Canada. And all those people tirelessly repeated again last week that they had come to Ottawa to let us know that Section 23 does not do them justice.

Other statements are also of course a cause for concern. For instance, after the ratification of the agreement by the ten, Premier Bill Bennett went back to British Columbia and

replied to someone who mentioned that the school rights of francophones had been entrenched in the Constitution: you know, what we have done basically is simply to entrench what we are already doing. And what are they doing in British Columbia? In about ten schools, there are French, classes, not French schools, but simply French classes. This means that when the children go out in the schoolyard, they must speak English. Of course, in such conditions, the school becomes a marvellous assimilation tool. But the last straw, Mr. Speaker, was the publication of a letter written by the Ontario Premier to a woman voter in which he said that, basically, the inclusion of Section 23 in this resolution was not designed to change anything at all in Ontario—Heaven forbid—but rather to counter what was being done in Quebec both under Bill 22 of Mr. Bourassa's Liberal government and under Bill 101 of the Parti Québécois government.

In the face of such statements, Mr. Speaker, I believe we have every reason to be at the very least sceptical and to have serious doubts about the equality which is supposedly reflected in this Section 23. Of course, paragraph 23.(1)(*a*) now provides for an opting-in alternative, which in a sense is a step in the right direction, but I realize the potential unfairness to our anglophones who have shown their good will. What is somewhat paradoxical, Mr. Speaker, is the fact that it will finally be the anglophones who have shown good will by sending their children to French schools who will have to pay the price of this section. Personally, this makes me sad.

Mr. Speaker, I suggested two solutions to this problem in a letter to the Prime Minister. Since it was agreed to let the notwithstanding clause apply to the provisions of the Constitution which concern the basic freedoms, the legal guarantees and equal rights in order to alleviate the concerns of some provinces, I suggested to the Prime Minister that this also apply to linguistic rights. It seems to me, Mr. Speaker, that if this clause can apply to such important issues as the right to life, the right to security and all the basic freedoms that are traditionally included in charters of rights throughout the western world—the notwithstanding clause applies to all these issues; the only matters to which it does not apply are Section 23, Section 6 and the democratic rights—it seems to me, Mr. Speaker, that the same could be done for linguistic rights. Or does this mean that in this country, we have linguistic rights, or first-class rights, and certain other rights, or second-class rights?

We have serious cause for reflection on this matter. It seems to me that in return, Quebec could have promised to amend Bill 101 and replace the Quebec clause by the Canada clause. This would have put linguistic rights on the same footing as the other rights, it would have maintained Quebec's jurisdiction over educational matters and would also have reassured Quebec anglophones. I believe this would have been an honourable compromise because, at the moment, the Canada clause does not pose any problem for the francophone majority in Quebec. There might be 5,000 more anglophones in the English school system in Quebec out of a population of 185,000, which represents from 2½ per cent to 3 per cent more anglophones students in the English school system. This would have caused no problem. In the long run, it would have been an insurance policy for Quebec because the supremacy of the Quebec National Assembly would have been maintained in case, which is most unlikely, present conditions should change in Quebec for any reason and this province should become, which is not impossible, the Alberta of the year 2000 with the immigration of a great number of workers from other provinces in Canada. In such a case, the Quebec government would have all the flexibility and all the powers required to remedy the situation.

Anyhow, even if the Péquiste government had refused to make such a commitment, the coming into power of a federalist party at the next election, the Quebec Liberal party, would have allowed us to do that and I can assure you that under the present political circumstances in Quebec, there is every likelihood that the Parti Québécois will be defeated. Mr. Speaker, the time allotted to me is running short so that I will now deal with the amending formula. Such as we know it, the amending formula gives a veto right which is theoretical with a financial compensation restricted to educational and cultural matters. In all other areas, it would be difficult for a province such as Quebec to resist centralization if ever the other provinces, seven, eight or nine of them, wanted it. For example, it could happen that seven, eight or nine provinces decide that from now on housing would strictly come under federal jurisdiction. In such a case, the Quebec government could choose to keep its jurisdiction or take the risk of financially penalizing its taxpayers who, if Quebec decided to stick to its principles and jurisdictions, would have to keep paying their taxes to the federal government to finance programs in seven or eight other provinces and, moreover, if Quebec wanted to provide the same services in the province, then additional taxes would have to be paid.

Mr. Speaker, is that an amending formula with financial compensation, what is so often called shortsighted separatism? I would like to remind you, Mr. Speaker, that with the financial compensation or the opting out, there was never any question of removing federal powers to give them to the provinces. On the contrary, it is essentially a defensive measure to enable a province such as Quebec to preserve its present constitutional powers. It is said that it would create a balkanized Canada. We should never forget, Mr. Speaker, that anyhow, in extreme cases, the federal government has a veto right and that under the amending formula, it could always object.

Mr. Speaker, are the poorer provinces threatened in any way? At this point, a distinction must be made between financial and fiscal compensation. In the case of fiscal compensation, I agree that because total tax points differ from one

province to another, there might be some danger, but in the case of financial compensation which is based essentially on the following criterion, that is, the amount the federal government would have spent in the province availing itself of the right to opt out, there should be no problem.

Mr. Speaker, time flies and I should like to speak of the negotiations per se. I feel that the time is almost up, as we say, that down deep in the heart of all Quebecers, there lies a secret wish. They dream of the day when their two great political idols, the two bright stars of Quebec's political sky, the Prime Minister of Canada and the Quebec Premier, make peace, shake hands and start solving the problems of concern to Quebecers. I appeal to all, Mr. Speaker. Some will say I am being naive, I know, but I think history will have more to say about the contribution of those two men if they settle their differences because, as you know, the storm is gathering over the horizon. Even more serious problems will have to be resolved. The time has come to solve those constitutional problems because, whether it be the international or the economic situation, tomorrow we will have to concentrate exclusively on bread and butter issues. And, Mr. Speaker, there will be much disappointment. I am afraid Quebecers have lost this war through attrition. What I mean is that Quebecers are so bored with all these talks about the Constitution that they are ready to let us do whatever we feel like doing. And that is the reason Quebecers have not opposed this resolution the way they should have. People truly believe that once the constitutional issue is settled—if I may really use the word "settled" in this context, for a great many things could be said about this—we will be able to quickly solve the other problems which concern them.

I should like to conclude by saying that during the few remaining hours—we can no longer say weeks or days—we must do everything possible. I think that there is a strong possibility that reason will prevail in this country, and that Canadians and Quebecers would be extremely grateful to their elected representatives who could finally shake hands and who would direct the action of their respective governments more toward bread and butter issues.

● (2040)

[*English*]

Mr. Rae: Mr. Speaker, I rise on a point of order. I wonder whether the hon. member for Montmorency-Orléans (Mr. Duclos) would accept a question?

The Acting Speaker (Mr. Blaker): The time of the hon. member for Montmorency-Orléans (Mr. Duclos) has expired. Accordingly I would seek the unanimous consent of the House for there to be an exchange of questions and answers. Is it agreed that the hon. member for Broadview-Greenwood (Mr. Rae) may ask a question?

Some hon. Members: Agreed.

Mr. Rae: Mr. Speaker, I listened with a great deal of interest to the hon. member's speech and with a great deal of sympathy for what he had to say. It struck me that there was a fundamental contradiction in what he was suggesting. In the first half of his speech he emphasized the importance of the minority rights of francophones outside the province of Quebec, with which I am in complete agreement. Therefore, if he is so much concerned with the rights of francophones outside the province of Quebec—

[*Translation*]

—why is he willing to let the rights to education in the minority language be subject to the notwithstanding clause, since that would not actually protect the rights of the French minority groups which is one on the things we gained and achieved with Section 23?

Mr. Duclos: Mr. Speaker, the answer is quite simple. I gave the interpretation which the Premier of British Columbia, for instance, lends to Section 23, and we know what the Premier of Ontario thinks of that section, so that actually if Section 23 is subjected to a notwithstanding clause the results will be about the same with regard to the minorities outside Quebec. I would very much appreciate it if the hon. member were to personally intervene and use his influence as future leader of the Ontario NDP at Queen's Park to get the Premier of Ontario to finally provide justice to Ontario's French-speaking minority, especially in the Ottawa area where they represent 35 per cent of the population. We cannot say that it is a very small minority. In Quebec's case, a notwithstanding clause would allow the National Assembly to maintain its legislative authority and as you know, you do not have to worry about Quebec, history shows our degree of tolerance.

● (2050)

[*English*]

Mr. G. M. Gurbin (Bruce-Grey): Mr. Speaker, I join the debate in its concluding moments with the hope, which I am sure all hon. members have, for a successful constitutional future for Canada.

I would like to start by suggesting to the hon. member for Montmorency-Orleans (Mr. Duclos), who spoke previously, that he should interpret the comments made by the hon. member for Bow River (Mr. Taylor) in the context of the effort that the hon. member for Bow River had made to bring forward to the House, a point of view which is indeed shared by many people in Canada for historic reasons. His effort was honest, and he made an attempt to bring those issues forward to the House.

Some hon. Members: Hear, hear!

Mr. Gurbin: In coming to these concluding moments, I think that most of us will agree that the resolution as it stands before us now asks as many questions as it answers. As time goes on and as history views us, we may indeed see many problems which are not now obvious and many difficulties which are not

now apparent. In spite of that, I think most of us would like to offer congratulations at this time to all those who have taken part in this debate, with particular reference to the hon. member for Provencher (Mr. Epp)—

Some hon. Members: Hear, hear!

Mr. Gurbin: —and with particular reference and best wishes to the hon. member for Hochelega-Maisonneuve (Mr. Joyal).

While we have in the House a certain sense of having done our part, having participated in this debate, the country at large undoubtedly feels a sense of relief. That sense of relief is best illustrated in a letter sent to me by one of my constituents. It expresses a peculiar kind of relief and contains a slight contradiction. However, I would like to quote a short paragraph from the letter, which reads as follows:

> One might have hoped that the government might have addressed itself to economic and unemployment problems in recent years rather than to the Constitution except that, to have done so, on its dreary track record might have led us over the brink of economic disaster instead of simply up to it where we now teeter.

In a way, that is kind of a backhanded comment; but it is a comment which I think really illustrates the mood of the people, certainly the mood among my constituents and, I suggest, the mood of the people in Ontario and other provinces. It is the kind of thing which suggests that there has been a "notwithstanding" clause which is far more important in the country at large than the "notwithstanding" clause that the premiers have put in the Constitution, a clause which relates to the charter. In other words, the country has a genuine hope and an honest desire to see a constitution for Canadians that is made in Canada, one that is our very own. However, notwithstanding that, many people in Canada have identified their feeling that other issues are also very important and could have been dealt with in the long period of time we have taken to deal with the Constitution.

As others have said repeatedly, the original resolution was brought forward to the House last October. We had two basic problems with that resolution. We had a problem in terms of the process, and we had a problem in terms of the substance of the charter which was presented to us in the first instance. The original resolution suggested a unilateral federal action. It was a process which, over the past year or more has been modified and on which the government has been seen to be accommodating. We have indeed had a process which most of us would see as fairly complete, one which started first with the extension of the parliamentary committee which dealt with the substance of the charter and which allowed numerous Canadians from all across the country to present their cases, concerns and hopes to the government.

We also saw a parliamentary debate which was difficult for most Members of Parliament. It took a long period of time, and finally it ended in an additional process being added, that is, consideration by the Supreme Court of Canada as to whether or not the actions we were taking and the position which had been established by the official opposition was indeed accurate. The Supreme Court of Canada decided that the government itself did not have the right to take unilateral action and that consensus was required if not legally, at least in terms of our constitutional conventions. Following that judgment by the Supreme Court, we were taken into the next phase so that the cadence and the rhythm of the process was maintained. The Prime Minister of Canada (Mr. Trudeau) made the additional effort of bringing the whole constitutional issue before the premiers.

During that conference, it was stated on numerous occasions that it was not possible to achieve this kind of consensus, that it was not worth while engaging the premiers in additional discussions, and that no fruitful benefits would flow from that activity. However, as a result of that additional process, we reached an accord which brought back to Parliament a modified resolution which included many aspects of the discussions in Parliament of the many concerns which had been brought forward. The resolution was then presented to the House of Commons and was then subjected to an additional review. As we all know, that review resulted in two major amendments which accepted the fact that there was an equality of rights for women, which was not subject to the "notwithstanding" clause that had been introduced. Also, there was a modified acceptance of aboriginal rights and treaties. I think this must be considered to have been a due process of law, a part of the procedure that was worth while, and that it was indeed a part of the tradition of the Parliament of Canada to act on constitutional matters or those which affect the federal government as the supreme authority.

At that point, however, I think that one of the basic flaws in the whole issue became apparent. It became most apparent on Friday of last week, four days ago, when the hon. member for Rosedale (Mr. Crombie) and then the Prime Minister spoke. The case was well put by the hon. member for Rosedale in terms of the need for additional adjustments to the resolution in order to establish some of the things which would, particularly in the future, relate to federal government actions. These actions and the kind of proposal which was made and brought forward by this party through the hon. member for Rosedale suggested, particularly in the areas of moral concerns, that Parliament would be supreme. It was not intended to change the amendment. This had nothing to do with the substance of the charter or the accord on which the provincial premiers had reached consensus. It had nothing to do with denying any of the contributions by other groups and agreements during the development of the charter and the resolution. It dealt with an additional affirmation that Parliament was supreme in matters which were under federal jurisdiction.

The Prime Minister quite properly pointed out that these matters not only related to the area of abortion, but also related to matters such as capital punishment and, in the future, could relate to issues such as euthanasia or conscription in times of war. However, in this instance the Prime Minister came up with a major inconsistency when he denied the opportunity to include that affirmation in the charter and in the constitutional resolution before it left our House. I think that that in itself should register on the minds of Canadians

across the country. That should also tell us something about the intransigence, rigidity and inflexibility of the Prime Minister in dealing with this whole matter. There have been a number of times when he has dug in his heels and has, in fact, caused more problems than he has solved by not dealing, in an open and forthright manner, with the problems which have originally been created on matters of specific substance which were introduced in the resolution last October.

The other major area of concern involves the matter of Quebec. The hon. member who spoke previously spent some time dealing with his concerns regarding language rights and other issues within the province of Quebec. I think that in keeping with what the hon. member for Bow River has said, all of us should share equally his concern that the province of Quebec be treated as part of the Canadian family. Indeed, anglophones within Quebec should have the same rights and privileges as Canadians across the country and should have the same rights as francophones in other provinces. It was interesting to hear the hon. member for Lincoln (Mr. Mackasey), who was on an open-line show this morning, discussing this matter in some detail. It appears he is taking up the banner and will spend a good deal of his considerable energy to make sure those rights are protected within that province.

● (2100)

The fact that the Prime Minister at this important point in time will not make that extra effort and take that final step or whatever gesture is required to allow Quebec the opportunity to be incorporated in the first instance in this charter is just another major inconsistency and flaw in the approach that the Prime Minister has taken.

I believe the charter is imperfect. There is no question that there are and that there will be many matters within the charter about which all of us will have concerns and provisions which we will come to regret. There is no question that in the area I represent, and I think in many areas across the nation, the question of property rights, which has been described by many other members before me, is an important matter. It is a matter that many of us would like to have seen included in this charter and seen affirmed for the rights of future Canadians.

Property rights seem to have been possible in other countries. The right to own property seems quite reasonable. Property rights have a major impact on individuals across the country who feel increasingly that provincial or federal actions seem to threaten their right to own property. The right to own property seems to be one of the basic tenets of a democracy. This is only one example of many of the inadequacies that are within the charter.

I believe as time goes on that many of these matters can be dealt with. We have a situation now where many of the pundits and critics of this whole constitutional discussion, although new things are happening quickly from day to day, are changing their minds about certain parts of the resolution. After the provinces had reached an accord and after the premiers had met with the Prime Minister, some people found very good reason to be concerned about the fact that the final step should be taken by 11 individuals in our country because the impact of what they were doing and the long-term consequences affected all Canadians. The reactions of the critics and the people who are looking at the constitutional resolution in the context of today are only momentary. History itself will be the only measure of whether or not this is a good or a bad resolution.

I think it is important that we go forward from the time of the vote on this resolution as it passes from Parliament. We should go forward in the spirit of hope that successive governments will have the good judgment and patience to deal with the inadequacies within the charter and that Members of Parliament will maintain the faith and the confidence of their constituents and will exercise their authority and their responsibilities in such a way that this charter, whether or not it is inadequate now, will serve the purpose of all Canadians.

[*Translation*]

Hon. Pierre De Bané (Minister of Regional Economic Expansion): Mr. Speaker, there is a basic principle in politics that a government may be free to make any decision it wants, but it will have to live with the consequences. Or to put it another way, history always presents the bill, one way or another. However, it seldom happens that a government which has shirked its responsibilities and shown itself to be unworthy of its people's trust, is cynical to the point of bragging about it. How else are we to interpret statements by the Quebec Minister of Intergovernmental Affairs as reported in *Le Soleil* of Saturday, November 7, 1981, on page B-2, where the minister states that he created the common front of the eight provinces in September, 1980, and that since that time, the common front had always been artificial, so much so that it would have collapsed had not Quebec kept it going. This means that Quebec made the ultimate concessions. Finally, Quebec had set up the gang of eight for the sole purpose, says Mr. Morin, of using it as a political weapon to sway public opinion in Quebec. And Mr. Morin adds that one of the means used to create this artificial common front, as he calls it, was to work on the claims of each province, whether they concerned natural resources, fishing rights or even, admits Mr. Morin, some provinces' obsessive hatred of Mr. Trudeau.

And these are the people, Mr. Speaker, who got themselves elected on April 13 by telling Quebecers that they would be the trusted defenders of Quebec's traditional rights. And what have they done? They have tried to permanently weaken Quebec. In fact, when our government offered them and the government of Ontario a veto right, they joined forces with seven provinces who did not have a veto right and the first price they had to pay was to drop the veto right they had, so that they could proudly say: We are just as good as Prince Edward Island. They refused to join the two governments that did have a veto right. At least five times, in January, 1977, in October, 1978, in October, 1980, in February, 1981, and at the beginning of this month, in November, 1981, the federal

government offered the government of Quebec a veto right. As I said before, a government may be free to do as it likes, but it cannot escape the consequences of its actions. It would be a lesser evil if this weakening of the province had occurred only in terms of such fundamental statements or constitutional provisions, Mr. Speaker. But when a government weakens its most precious resource, namely, its men, women and children, then it is no longer worthy of the trust it has received.

I shall recall, if I may, how Quebec's population has evolved. In the 1960s, the population of Quebec increased by more than 100,000 per year. I shall also give figures for the last three years, when the population growth was almost nil. The population dropped by 3,000 inhabitants in 1978, increased by not quite 11,000 in 1979 and by 20,000 in 1980. It is true that the rate of growth throughout Canada also dropped during the same period, but certainly not as much. During the 1960s, the growth rate of the population in Quebec represented 30 per cent of the growth rate throughout Canada.

From 1976 to 1980, Quebec's share in the population increase of Canada went down to 10 per cent! A contrast between these two periods could not be more striking and it is certainly dramatic, to say the least. Of course, the Quebec government could pretend that it is due to a lower birthrate; unfortunately, it is due to a phenomenon which is the direct and the immediate consequence of its own policies, and I am speaking about international and interprovincial migrations. On a net global basis, outgoing movements of population amounted to about 5,000 people between 1961 and 1976, except for the years 1970 and 1971, and we all know why. On the other hand, these movements reached an average of over 33,000 people a year during the period 1977 to 1980. The worst year was 1977-78 when there was a record net emigration of 54,122 people. And since the immigration figures in Quebec are quite high, the gross numbers of immigrants are even more revealing. The net outflow in 1977-78 represents the difference between 32,345 immigrants and 96,467 emigrants. In other words, nearly 100,000 people left Quebec in 1977-78. This means that both constitutionally and as far as our most precious resource, our people, are concerned, the policies of the Quebec government have been extremely harmful.

Not only have they weakened this province of which they were the trustees, but they have even betrayed the traditional positions of Quebec governments. History will show, Mr. Speaker, that they have systematically refused to support our fight for French schools throughout Canada. They have systematically rejected the appeal of francophones outside Quebec who were asking that their rights be entrenched in the Canadian Constitution. Everyone will remember what they stated in the document which they tabled in Montreal on July 8, 1980, during the last months of their mandate, where they alleged that the entrenchment of the rights of francophones outside Quebec in the Constitution would freeze their rights for the future. What hypocrisy! While we were trying to give them eternal protection, they had the audacity to pretend that this was a means to freeze rights which do not exist today. We have only to read the brief submitted by the L'Association des francophones hors Québec to see this. When we read the works of Canon Groulx—and if there is someone who always faithfully defended the traditional position of Quebec, which as a province, has always recognized its responsibility, as the focus of French-speaking Canadians, to work for the extension of their rights, it was Canon Groulx—we can find in his book entitled "Les minorités canadiennes-françaises déclarent" that it is the role and the responsibility of the federal government to entrench the rights of francophones in all Canadian provinces in the Canadian Constitution.

History will show, Mr. Speaker, that these rights which tomorrow will belong to the French Canadians in all Canadian provinces can never be taken away from them because we are giving a veto to Quebec, which does not even request it in this sense, by entrenching in the new Constitution for the first time the equal status of French and English in all the institutions of the central government. If ever someone wanted to remove this provision, Quebec has been given a veto, and all I hope is that separatists will not be in power in Quebec if ever, in a moment of aberration, certain provinces were to try to take away these French schools which are finally guaranteed by the Canadian Constitution. And to further illustrate, Mr. Speaker, how hypocritical they were, let us record in *Hansard* the following agreement signed on August 18, 1977, in St. Andrews, New Brunswick:

● (2110)

[*English*]

The premiers agree that they will make their best efforts to provide instruction in education in English and French wherever numbers warrant.

[*Translation*]

We merely have to read that clause, Mr. Speaker, to realize how they betrayed the French Canadian minorities outside Quebec. And the best way to understand it is to read again Section 23 of the constitutional resolution and more especially Section 24(1) which reads as follows and I quote:

Anyone whose rights or freedoms, as guaranteed by this charter, have been infringed or denied may apply to a court of competent jurisdiction to obtain such remedy as the court considers appropriate and just in the circumstances.

Consequently, if it ever happened that a provincial government did not comply with the Charter which provides for French-speaking schools, French Canadians could appeal to the Supreme Court and the latter would find that in my constituency of Matane fewer than 20 anglophone families have a school at Métis Beach, the smallest town in the constituency, a school from grades one to eleven, and even if one has no legal training one knows that a constitutional provision must apply consistently throughout the country and since in Métis-sur-mer in my constituency, there are hardly fifteen English-speaking families who have a school for fewer than 40 children, it is the best guarantee that the Supreme Court will enforce the same standard in all the other Canadian provinces. It is no longer a matter of the best effort, as signed by the Parti Québécois in St. Andrews. The Supreme Court has the right to impose sanctions and under the above-men-

tioned section it will take the necessary measures to correct the situation. There is the difference between the Quebec representatives who sit in Ottawa and those who betrayed them in Quebec City. As I said, Mr. Speaker, history will show that everything that was put in that resolution for French Canadians at the national level, either for schools in all the provinces or with respect to full bilingualism in New Brunswick, can be ascribed to the francophone representatives sitting in this Parliament.

Mr. Rae: Not only the francophones!

Mr. De Bané: What is worse, Mr. Speaker, is that not satisfied with betraying French Canadians and refusing to support their claims, they dared ridicule the claims of Franco-Ontarians. History will note that on the day before the conference was officially opened, Mr. Morin, as reported in the *La Presse* edition of Monday, November 2, scoffed at the suggestion that Ontario might offer Franco-Ontarians the benefits of Section 133. Not only did they shamefully refuse to support Franco-Ontarians, but added insult to injury by deriding the suggestion that Ontario might grant its French-speaking residents the benefits of Section 133. Not content with lying and betraying, they demonstrated the utmost duplicity by deceiving their own supporters. The House will recall that in Ottawa on April 16 they signed a document which they were prompt to hide. They signed this document only three days after telling Quebecers: Re-elect us and we shall be strong enough to fight for your rights. In this agreement they secretly signed in Ottawa on April 16, there is a Section 4 where they recognize once and for all and forever the limits of Labrador which will belong from now on to Newfoundland.

In the meantime, what are they saying to their supporters? That the federal government is trying to deprive Quebec of its rights on Labrador, as they claim in a document entitled "*Le Québec est trahi*" which PQ supporters are distributing in the Province of Quebec to demonstrate that the federal government is trying to take Labrador away from Quebec. Yet, they are the very people who came joyfully to Ottawa to sign this document. I think that there ought to be a limit to a party which boasts of its openness and yet betrays the traditional rights and legitimate claims of French Canadians, and its own supporters as well. Mr. Speaker, have you ever heard of a political party which carries duplicity that far? And when they return to their supporters, they say that Canada is a country with two founding nations and that this dimension must be respected, I am anxious to quote from the agreement they signed on April 16. What does it say? With your permission, I should like to read it for the edification of hon. members and future records:

The amending formula we have just signed recognizes the constitutional equality of provinces as equal partners within confederation, and that formula is aimed at protecting Canada's diversity. There is no more reference to duality, Mr. Speaker. "Such a formula enshrines legal equality between all provinces". Quebec wants to emphasize, to stress it is equal to Prince Edward Island. And he added: Being rational, that amending formula is obviously preferable to ours from Victoria, which gave forever a right of veto to Quebec, "because it recognized the equality of provinces within Canada". They do not want to let go of that ten. Hold Canada and equality with Prince Edward Island!

They state in the accord signed April 16 that in certain areas there must still be 11 rights of veto. Examples given are monarchy and the office of lieutenant-governor. This is what Quebec under the Parti Québécois insisted on signing. They wanted to ensure that as long as Prince Edward Island wants to keep monarchy in Canada, monarchy we are going to have, because this is one of the few questions on which they insisted all provinces should have a right of veto! The function of lieutenant governor and monarchy!

As far as compensation is concerned, Mr. Speaker, which they make such a case of now, it is worth reading what they signed in the April 16 Accord. Here is what is provided on the matter of compensation: "If a province opts out, the Government of Canada must provide reasonable compensation to the government of that province, taking into account the per capita cost of exercising that responsibility in provinces which approved the change" which means that if Quebec opted out of the unemployment insurance program, under the formula signed by the Parti Québécois, it should be offered only the per capita cost of unemployment insurance in provinces where there is no unemployment insurance. But we can see, Mr. Speaker, in our compensation formula, that it does not use a formula that would be so detrimental to Quebec. It refers to fair compensation. We do not have a formula such as that one that would be an empty phrase, because if the Vancouver compensation formula that is provided for here were possible in the case of unemployment insurance, clearly Quebec could not even afford to opt out. Since the unemployment rate in Alberta, for instance, would the unemployment insurance per capita cost in Alberta be the standard? Mr. Speaker, those are the people who touted themselves as big negotiators before the people of Quebec. I appreciate why Mr. Claude Morin in that article I just quoted from, admitted, and I quote Mr. Morin from page B-2 of *Le Soleil* of November 7:

English-speaking provinces, says Claude Morin, prepared the April 15 accord—

—and I would add that he had no hesitation signing it. This he did three days after obtaining a mandate from Quebecers under the assurance they would stand up and defend Quebec's interests. This he could do, Mr. Speaker, under the guise of nationalism. As Mr. Louis Falardeau wrote in *La Presse* of November 25, and I quote:

The Parti Québécois government was very careful not to reveal that it was the only one against enshrining the rights of women in the constitution.

Mr. Speaker, how many crimes can be perpetrated while wrapping themselves in the flag of nationalism. That flag belongs to all Quebecers but they are now trying to rob it so as to make it their own. They have appropriated for their own party that name which belongs to all Quebecers. Does anyone know of a democracy in the world where a party has tried to take the name which belongs to the entire nation? In France, is there a party called the French party, in Italy, the Italian party, in the United States, the American party? Well, the PQ party had the nerve to try to steal the flag which belongs to everybody and the name which belongs to everybody as well, in an attempt to weaken us. Fortunately, Mr. Speaker, we have here spokesmen for Quebec who are doing their utmost to foil, counteract, work and fight against that attempt to weaken their province. And I can say that we will not stop because what we are doing today is only the first step. And the conclusion we have just drawn is that the province of Quebec is much greater than the Parti Québécois, and French Canada a thousand times greater than the Parti Québécois!

● (2120)

[*English*]

Mr. Deputy Speaker: The hon. member for Portage-Marquette.

Mr. Charles Mayer (Portage-Marquette): Thank you, Mr. Speaker.

Mr. Yurko: On a question of privilege, Mr. Speaker. I would like the Chair to look at Standing Order 29 which indicates that the Speaker should have recognized the first person who stood. But in saying this, I offer the floor to my hon. friend.

Mr. Mayer: Thank you again, Mr. Speaker. I listened as best I could to the hon. minister who just spoke. I would hope that members opposite would do me the courtesy of listening to what I have to say. It is very important that we all take part in the process which has been going on here and has been going on in this country for the last 14 months. It is important that we all make an effort to understand the process because what we see and what is recorded in the press all too often is not really what the process is all about. It is about the complications that are brought about by the process.

It is unfortunate, because the people who elect us to this House of Commons, whether they like it or not, will be affected for many years to come by the very important debates we are engaged in here.

With those remarks, I hope to get some attention from the hon. members from Quebec. I come from western Canada where we also have problems in terms of how we envisage ourselves in confederation. I believe it is in somewhat the same fashion that the people of Quebec think of themselves in confederation. I firmly believe that if we are going to have the kind of dialogue which is needed in this country, to achieve good will between ourselves we must pay attention to each other and genuinely understand what we are trying to say to one another. Without that common courtesy or that extra effort to understand each other's point of view, it becomes very, very difficult to maintain any dialogue or understanding of what our points of view are.

● (2130)

In order to look at this process in terms of the way I would look at it or the way the constituents I represent would look at it I have to ask some questions on their behalf. Rightly or wrongly, the perception among many people is not necessarily about what the process entails but about some of the conflicts and some of the things which come out of the process that the press picks up. The perception is that much of the problem we have and much of the wrangling which has been going on have to do with the personality conflict between the Prime Minister (Mr. Trudeau) and the Premier of the province of Quebec. Rightly or wrongly, that is the perception many people from my part of the country have, and that is something which needs to be taken into consideration. It needs to be taken into consideration by the Prime Minister, not only as it affects the people of Quebec but also as it affects the perception of what is going on and the way the rest of the country looks at the process in which we are engaged.

Most people feel—and I agree—that there is no place for personality conflicts or ego trips when we get to rewriting our Constitution. I concur in that point of view very strongly. It becomes even more of a question which needs to be addressed when we ask ourselves why we got into what many people think of as this constitutional wrangle in the first place. We did not get into it because there was a great necessity to get into it. We got into it by choice. If we were to ask most people on the street, they would say the threat we are facing is not that our constitutional negotiations will break down but that our economy will break down. They wonder, and rightly so, why we have spent so much time and why there has been so much disagreement on the Constitution when things which really affect people, such as interest rates, economic conditions, inflation and their ability to feed and clothe their families, are so very important. As I said, this is not the case with the Constitution.

If we are going to rearrange the Constitution with which we have lived for over 100 years, we need to get into the arrangements by the proper process so that we can proceed with as much good will as possible. We need to proceed as expeditiously as possible so that we can address what most people think is the main threat to their immediate future, and that is the economic threat.

I find the situation we are in to be very unfortunate; nevertheless, we must proceed. We have to address constitutional questions.

Mr. Crosby: What are we going to do about it?

Mr. Mayer: My colleague asks, "What are we going to do about it?" I have said this before, and I think it needs to be said again: in many ways writing a constitution is like planning something. In many ways the planning part of any exercise can be the most exhilarating and the most exciting because it

involves many possibilities. When a person plans a trip, he sits down and decides where he is going. He might be planning to build a house or buy a car. Anything we plan can have a very exhilarating effect. That is really what we are doing in this country. We are planning the future, and this should have had an exhilarating effect on us. Many people have come to the point where they do not feel the exhilaration. We have missed out on an opportunity to harness the energies Canadians have to work together. I think that is unfortunate, and many people in this country look on that as being unfortunate. That is reflected in the position which most people take: they are tired of the wrangling which goes on between politicians, and they want to get on with the job and get it finished. Even though many people understand that the Charter of Rights and Freedoms is not as perfect as they might hope it would be, they are willing to accept it and get on with the job.

The people of the constituency of Portage-Marquette wonder why it is that provincial and federal politicians continually fight with each other. Let us suppose some objective person came here from a foreign land or from another planet. That person might think that the people whom federal and provincial politicians represent were two entirely different sets of people. However, the people who send us here to the federal House are the same people who send provincial politicians to the provincial houses. It should be much easier for us to agree than it is, yet in the past it has seemed that that has not been so at all in determining what should be done. Instead of thinking about the common good and solving problems—which is the wish of the people who send us to the federal Parliament and who send representatives to the various provincial legislatures across the country—all too often we have engaged in petty political rhetoric for some very questionable short-term brownie points.

The people I talk to at home keep asking about this over and over again, and I have to say that I really do not have a good, honest answer for them, except to say that the only way to solve problems is to send better people to represent them in Parliament and the various legislatures across the country.

We in western Canada feel very strongly about certain parts of the Constitution and about certain matters contained in the Charter of Rights and Freedoms. One of them is property rights. My area of the country was settled by people who settled there wanting economic freedom, economic equality and a chance to own some property of their own. They wanted a stake in their communities, their provinces and their country. When we are talking about certain basic rights being included in the charter, it is perfectly natural that those of us who are far removed from the problems of language rights which Quebecers have want to be accorded the same kind of courtesy and willingness to understand why we feel as strongly about property rights as some people in other parts of the country feel about rights that are near and dear to them.

I find it very disturbing to come here as a relatively new member—I have been here two and a half years—and to see unwillingness to listen to another man's point of view. it is difficult to understand why an hon. member says the kinds of things he says on behalf of his constituents and does not realize that other people have concerns about which they feel very strongly. However, some people show an unwillingness to listen, and that is something all of us feel badly about. The process we have gone through to get to where we are with respect to the Constitution has not lent itself to that kind of understanding. The process has not been correct.

I do not want to dwell on the past because in many ways this document is not a document of the past. It is a document of the future, and the only way we should be looking at it in terms of a document of the past is to ensure that we can learn from the process we have gone through. It has been far from a perfect process. If we could do it again, we would have found a better system by which to arrive at where we are today. If we go ahead the way we plan to go ahead tomorrow, it will be unfortunate if we do not realize what we are doing. We are looking at a Charter of Rights and Freedoms, an amending formula and a Canadian Constitution. We are looking at a prescription for how this country will live and work together in the future. We should not be looking back and making recriminations; we should look back and try to learn from the mistakes we made in relation to process.

From the point of view of the Conservative Party it is perfectly legitimate to say that our leader quite rightly pointed out almost 14 months ago to the day, on October 2, 1980, that we should learn from these kinds of things. If we are going to be changing the Constitution again in the future—which we will because, as I said, it is a document of the future, and it will have to adapt to future circumstances—we should be able to learn from our mistakes.

One of the mistakes we will have to live with for some time to come is the mistake we have made with respect to attitude. The most valuable resource any country has is its people, and the attitudes of those people reflect the ways in which the country works and lives together.

I do not think a bill of rights will make much difference in attitude. If we were able to come back to this country 50 years or 100 years from now to see how we are doing in terms of civil liberties and basic human rights, I think the most important question we would have to ask in order to determine the situation would be: what are people's attitudes toward themselves and toward their government? What are the attitudes of representatives toward the people they are elected to represent? Unless we have the proper attitude and are willing to live and work together and, in the process, understand someone else's point of view, it seems to me that a bill of rights will not be very important.

I have found this constitutional process to be unfortunate. I make that observation to underscore the point that the process of this constitutional renewal, as I said previously, has not been exhilarating and exciting for the country. The process has degenerated. We therefore have more problems in terms of the various levels of government than ever before. We had provincial governments suing the federal government over the Constitution, VIA Rail and the National Energy Program. That does not help improve our attitudes in this country. It is

something we have further alienated as far as the process is concerned. Our attitudes in this country have hardened.

● (2140)

A very legitimate question to ask the French-speaking people in this country is how exactly they see the role that the English-speaking components of confederation should play in this process. We have a French-speaking Prime Minister from the province of Quebec very much at war with the Premier of Quebec. We in western Canada feel very much left out of that argument. It is not that we want to be included in it. However, if we are going to be affected by the outcome of that argument, it would be very nice for us to at least understand what the argument is about. There is not that kind of understanding in the country of the process that we are going through to renew the Constitution. That is a very unfortunate effect of the process we have gone through to get to where we are tonight.

Let me take one further point. Once the Constitution is passed and we have a bill of rights, that is not the end. People will have to be elected to this Parliament and to provincial legislatures. The people in the country who elect us will have to be very vigilant and concerned about what goes on in the House. This entails a large measure of dependence on the press and requires a sense of responsibility from it. Too often the productive things that go on in this place are not judged as being newsworthy. Too often it is only the sensational news that is reported, and that is unfortunate.

I suggest very strongly that it is a continual process in terms of the institutions in this country. It is very difficult to bring in a bill of rights the way we have done without doing something about the way the Supreme Court is appointed and the way it functions. That is something that should be looked at.

We need to look at the way the Senate operates. When this country was first put together over 100 years ago, and we had an Upper and Lower chamber, the government was not as involved in our daily lives as it is now. Now the average Canadian in this country works for a government of one form or another from the beginning of the year until some time in June. There should be more accountability to the taxpayers than there is at present. An excellent way of achieving that would be some form of elected Senate. I do not know specifically how it should be done. However, that is something to which we should address ourselves.

We do not need constitutional renewal to fix up some of what goes on in one part of the country versus another. The western section of the Canadian Transport Commission should be given much more authority. The International Joint Commission which functions in this country has never had a member from western Canada, yet over half the boundary between Canada and the United States is in western Canada. Those are some of the things we need to do institutionally in this country so that we have the determination and good will to be able to work together.

What I am asking in terms of the continuation of this process is that we look for ways to bring ourselves together. The question we should continually ask is how do we bring ourselves together? Unless we learn from the mistakes we made in the process that we are concluding here this evening and will vote on tomorrow, we will be continually asking those questions without learning from our mistakes. We will not learn through reference to our own past actions.

I repeat, we have to be very concerned about attitudes in this country. We must realize that we do not change attitudes by a simple piece of paper. That has to come about by good will and understanding on all sides of the House and in all parts of the country. I feel very strongly that this document should not be used to recriminate against past positions or mistakes. Instead, we should learn from the process we have gone through. The new Constitution should be very much a viable and living document of the future. We should be able to adapt and use it in our changing circumstances. This is a rapidly changing world in so far as technology is concerned, whether we like it or not.

What we are seeing this evening is an end to this part of the process. It is up to all of us, those who are elected, those who sent us here, in fact all who care about this country, to see that this process does not end here. It must be a continuing process. We must continue to improve on the document for the betterment of Canadians from one end of this country to the other.

[*Translation*]

Mr. Herb Breau (Gloucester): Mr. Speaker, we are nearing the end an important debate. In fact, I am next to the last participant in this House of Commons debate. My speech will be quite a bit shorter than I had originally planned because the hon. member for Skeena (Mr. Fulton) would like to rise for a few minutes in order to move an amendment, and I have agreed to allow him the time to do so.

I want to say that although I had reservations about it almost exactly 14 months ago when the constitutional reform was introduced by the government, I agreed to support it after having given the matter considerable thought. First of all, this resolution allows for further reforms in the future. Something just had to be done in the face of the inertia of the provincial forces that were blocking patriation of the Constitution, the adoption of an amending formula and the entrenchment of a charter of rights in the Constitution. Second, Mr. Speaker, I simply could not but support a measure that entrenches forever the right to the French language, the equality of the French and English language in all federal institutions in this country, from sea to sea. This resolution also guarantees the educational rights of the French minorities in the English-speaking provinces. Third, I decided to support this measure because our party, under its present leader, the Right Hon. Prime Minister (Mr. Trudeau) has fought for years to achieve progress in the constitutional debate, to effect a rejuvenation of this very important aspect of Canadian politics. That is why I decided to support this measure. At first, there were several people in my province who had reservations, much as the Franco-Ontarians now have reservations because Section 133 does not apply to Ontario. Initially, many Acadians enter-

tained the same reservations with regard to New Brunswick. Pressure was exerted from the very beginning to try to get the government to amend the resolution so that Section 133 or some similar measure would apply to New Brunswick.

I did not like that procedure, Mr. Speaker. I preferred the one which was used afterwards, that the New Brunswick Legislative Assembly move to present a motion first to the Joint House and Senate Committee on the Constitution, a motion carried by the Legislative Assembly, which is mostly English-speaking, a motion to entrench the equality of both languages in New Brunswick, to agree to institutional bilingualism. Indeed, Mr. Speaker, constitutional rights will not necessarily ensure that the French language will progress, expand and be protected in the future. They are a form of insurance, an additional guarantee, but what will ensure the development and expansion of the French language is the importance and the concern that Acadians themselves will have for this issue.

So long as francophones in New Brunswick, Acadians and others, strive to preserve the French language, nothing will prevent this language from being preserved and from expanding. The entrenchment process is an important one. What I like about this resolution is that it allowed my province to act first in its own Legislative Assembly, where, as I say, most members are English-speaking because most New Brunswickers are anglophones, and it is this process, the very fact that we have the political maturity to provide for this equality which history did not bestow upon us that I applaud. But my guiding philosophy in this regard, Mr. Speaker, has always been based on a thorough knowledge of history; one has to know what has occurred in the past, yet at some point—one has to come out of it and start looking toward the future.

• (2150)

[*English*]

Mr. Jim Fulton (Skeena): Mr. Speaker, I sincerely appreciate the member for Gloucester (Mr. Breau) allowing me to rise to my feet for a few minutes before the NDP amendment regarding consent is moved at ten o'clock.

I would like to deal briefly with the much misunderstood and maligned concept of consent as it appears in the amendment now before the House. The intent is to set up a process whereby constitutional change that would affect the rights of aboriginal peoples would require the simple democratic consent of the same people who would be affected. Surely, Mr. Speaker, it is both an intellectually and historically correct mechanism to protect the fragile rights that have been trampled, abused and overlooked since confederation and before.

The arguments that have been put forward both inside and outside of the House to the effect that the process is unworkable and that the definition of the aboriginal peoples is impossible are not sound arguments. With regard to the first argument, history shows that a democratic vote is taken not only in municipal, provincial and federal elections but in relation to many other electoral bodies in this nation on a regular basis. The second argument about defining participants in such votes is a challenge in some areas but is not unworkable. In fact, it is a task that must be quickly addressed for use at the constitutional conference next year. A vote by members of this House against the concept of consent should be seen for what it is: a claim to the right of Parliament and of the provinces to continue to ride roughshod over the interests of our first citizens and first nations.

Let us not forget too quickly or shy away from the task that is now before us, which is to set our minds and increase our efforts to negotiate a settlement of renewable and non-renewable resources, a settlement of the traditional uses of resources, and a settlement in an evolutionary way of the cultural matters of the aboriginal peoples of Canada.

It may prove at times to be a costly process, it may prove to be difficult and in some cases unpopular, but it is a task that our generation must finally take seriously and respond to.

Questions were raised by the Conservatives earlier about the absence of a role for the territorial governments in amending Section 35. I wholly support such involvement, and if this is a concern, let us have such an amendment from the Conservatives and they will find unanimous support for it from this party. They cannot have it both ways, Mr. Speaker. The eight premiers of Conservative persuasion are the very ones who brought the provinces into the forum and excluded the Territories. The Conservatives have become experts during this debate in speaking not only with a forked tongue but in talking out of both sides of their mouths.

Since the accord and the amending formula historically preclude the involvement of the territorial governments, it was the open intention of this party to avoid the arguments put forward by the Liberal-Tory coalition that such involvement would bring a new and unsupportable element into the Part V amendment procedures. To ensure that future changes affecting the aboriginal peoples north of 60 found fair hearing, we now introduce the necessary protection of a two-thirds majority vote resolution of the House and Senate. This is a new concept but is one found agreeable to the process which ended on November 5 when it was agreed that two-thirds of the provinces must put forward resolutions for the general amending procedure.

In a nutshell, Mr. Speaker, I have covered all the objections raised by the Conservative spokesman on the Constitution, the member for Provencher (Mr. Epp), and I look forward to hearing the real reasons why the Conservatives object to the consent provision, which is an act of democracy and protection for the future amendments of aboriginal rights through Section 42.

I make a plea to the common sense of the government members, Mr. Speaker, to their collective sense of morality for adherence to the principle of protecting the rights of Canada's first peoples, the most abused and underprivileged minority in Canada.

Should we end this debate without a clear sense of direction and a clear legislative mandate, the ifs and maybes will haunt Parliament. Parliament will be haunted if the highly paid corporate and provincial legal muscle is left the elbow room to send the rights and the aspirations of the aboriginal peoples the way of the buffalo, passenger pigeon and Dawson caribou.

As I said earlier to members from both the Liberal and the Conservative parties, if their objections are based on reducing the House-Senate vote to a simple majority and to require resolutions of the territorial governments, then they have our support, and we urge them to introduce such a subamendment. Hon. members have ample opportunity to do so, both in time and through the House order.

I would point out that refusal by the House to move seriously on this issue will come to the attention of both the Parliament of the United Kingdom and various international bodies that deal with the issues of human rights.

The international covenant on civil and political rights was entered into by Canada on March 23, 1976. Part II, Article 2 reads as follows:

> Where not already provided for by existing legislative or other measures, each state party to the present covenant undertakes to take the necessary steps, in accordance with its constitutional processes and with the provisions of the present covenant to adopt such legislative or other measures as may be necessary to give effect to the rights recognized in the present covenant.

Support for the amendment on consent now before the House will go a long way toward achieving the principles of the covenant.

In concluding, I am pleased to again enter into this debate on behalf of the NDP and the aboriginal peoples of Canada. I think it is an important note on which to end the debate. There still exists a number of serious flaws in the resolution, flaws that detract in both a symbolic and legal sense from the direction I feel this Parliament has taken on the substantive issues of recognition and affirmation of aboriginal and treaty rights.

First, of course, was the unnecessary addition of the word "existing" to the positive affirmation of old Section 34, which achieved unanimous all-party support on January 30, 1981. The vote on that issue has now been taken. Although three Conservatives and two Liberals voted with the NDP to have the word removed, the Liberal-Tory coalition succeeded in keeping the word "existing" in the resolution. That is a flip-flop from their position of only nine months ago, but it is nothing new to this House nor to the native people of this country.

However, a more serious problem has been created by the removal of what was subsection (c) of the rights of the aboriginal peoples of Canada set out in Part II and Section 55 of the resolution which was passed by committee and filed with the Supreme Court of Canada on April 24, 1981.

Following the November 5 first ministers accord, the rights of aboriginal peoples as well as the protection of the amending formula were dropped.

As we now know, with the vote of November 26 on Section 35 which recognizes and affirms the rights of aboriginal peoples, this House has taken half a step back toward the position held by Parliament prior to November 5.

Part of that step was taken in response to a question of privilege that I raised regarding the tragic flaw found in the French text of the amendment tabled by the Minister of Indian Affairs and Northern Development (Mr. Munro). For some reason, the legal concept of recognition did not appear in the French text. Under pressure from the NDP, and not the Liberal-Tory coalition, the Minister of Justice and Attorney General (Mr. Chrétien) conceded there was a flaw and found unanimous consent in the House to amend the constitutional resolution and include the word "reconnu".

Let me now return to the need in the resolution before the House to have the rights of the aboriginal peoples of Canada protected by Section 42, amended by the general amending procedure. Surely no member of the House, after voting unanimously to entrench a positive affirmation of aboriginal and treaty rights, would want those rights to apply in a checkerboard fashion in some provinces and not in others. Surely no member of the House would want native organizations to participate in the constitutional conference set out in Part IV, Section 37, Subsection (2) with the prospect of up to three provinces opting out of the agreement achieved at such a meeting. Surely this is tantamount to political blackmail and is at great variance from the good-faith negotiations intended by the House.

On Friday, the Prime Minister indicated that no further changes to the resolution would be accepted, and he indicated that such a position is supported by the participating premiers. That is easy to say and to do, but how does the Prime Minister explain the additions to the resolution that have occurred since November 5?

Mr. Deputy Speaker: Order, please. Before entering into the adjournment proceedings, may I bring to the attention of the House that, pursuant to the order adopted on Friday, November 27, 1981, the hon. member for Cowichan-Malahat-The Islands (Mr. Manly) is now deemed to have moved the following amendment, seconded by the hon. member for Skeena (Mr. Fulton):

● (2200)

That the proposed Constitution Act, 1981 be amended

(A) by adding immediately after Section 47 the following new section:

"48. An amendment to the Constitution of Canada in relation to the rights of the aboriginal peoples of Canada set out in Part II may be made by proclamation issued by the Governor General under the Great Seal of Canada only in accordance with the following procedure:

(a) in the Yukon and Northwest Territories, when so authorized by resolution of a two thirds majority vote in the Senate and House of Commons and with the consent of a majority of each of the aboriginal peoples so affected;

(b) in the provinces, when so authorized in accordance with Section 42 and with the consent of a majority of each of the aboriginal peoples so affected; and

(c) for the purposes referred to in this section, consent of the aboriginal peoples shall be obtained by a procedure determined by the Government of Canada and the aboriginal peoples of Canada; and

(B) by renumbering the subsequent sections accordingly.

PROCEEDINGS ON ADJOURNMENT MOTION

[*Translation*]

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

[*English*]

Mr. Deputy Speaker: The hon. member for Vancouver South (Mr. Fraser).

An hon. Member: He is not here.

FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS—EQUALIZATION PAYMENTS TO PROVINCES

Hon. J. Robert Howie (York-Sunbury): Mr. Speaker, my reading of the budget paper entitled, "Fiscal Arrangements in the Eighties—Proposals of the Government of Canada" leads me to believe that over the next five years the federal government will reduce its total contributions to the provinces, not in absolute terms but from what they would otherwise be if the existing formula were continued, by about $1,947 million or approximately $1.9 billion, with only Quebec obtaining an increase. In my view this is the net figure after taking into consideration additional provincial revenues of $3,743 million or approximately $3.7 billion which arises from income tax changes.

The new formula proposed by the federal government measures the fiscal capacity of provinces on a much more comprehensive basis by including municipal revenues and natural resource revenues which have to some extent at least been excluded in the past as capital from non-renewable resources. The significant difference in the new formula is that payments would be made to provinces with the capacity to raise revenue which is less than that of Ontario, rather than the national average as it is now. Of course this excludes Ontario from receiving equalization payments and raises the question in my mind that the payments will be less over all than if the national average were used. I am convinced that this is the case when we consider the enormous resource revenues generated in the west. I hope the minister will be able to show me tonight where I am wrong on this point, but at this moment I am not convinced that that is the case.

One point which is clear from the answer I received from the minister in the House is that he intends to discontinue the 1972 revenue guarantees. Thus, no safety net is provided for

the provinces. If Ontario moves into recession, the revenue reductions will be very severe.

Recently we have seen 30-year record levels of unemployment and inflation, declining real wages, the biggest tax burden since the war, the gutting of the rail passenger system, and, in the fiscal arrangements in the eighties paper to which I referred earlier, proposals to reduce the financial commitment to equalization, to health and to post-secondary education. This is the reason I asked the question in the House. With the headlines in the paper today indicating the worst economic slump in 30 years, I am very much afraid that my worst fears are on their way to being realized. I will be absolutely delighted to have the minister prove that I am wrong.

My principal concern at this point is the negative effect which a reduction in transfer payments will have on the Atlantic provinces where a very high percentage of total provincial revenues is obtained from this source. Just slightly under half of the total provincial revenues come in the form of transfer payments from Ottawa. The result would simply be a disaster. The best way to reduce transfer payments to the Atlantic provinces is by an increased commitment to the principle of regional development which would, through the establishment of industrial plants, create more jobs and more taxpayers and thus build an expanded revenue base for the provinces which would eliminate their dependence on transfer payments. In my view this is the positive way to go and the way in which the government should proceed.

● (2205)

Mr. Brian Tobin (Parliamentary Secretary to Minister of Fisheries and Oceans): Mr. Speaker, first of all I want to thank the hon. member for York-Sunbury (Mr. Howie) on behalf of my colleague, the Parliamentary Secretary to the Minister of Finance (Mr. Evans) for his question. I want to tell the hon. member that I come from a province much like his own, and I too was very concerned and did a fair amount of research upon hearing the terms of the new equalization package. I can tell hon. members that upon doing my homework, I found out the net savings to my own province, Newfoundland, a province which is not unlike the hon. member's, in terms of its financial ability to provide goods and services to its citizens. There was a net gain of $70 million in the first year. In a moment, I will point out the net gain to the hon. member's province.

The Minister of Finance (Mr. MacEachen) has put forward a proposal for a generous new system of equalization to cover the five-year period from 1982 to 1987. The proposed new formula is intended to enable the government to continue to carry out the historic purpose of this very important program. This purpose is to make it possible for all provinces to provide a reasonable level of public services at a reasonable level of taxation. The government's commitment to this goal remains as strong as ever.

The proposed new formula would achieve this goal by bringing virtually the whole range of provincial-local revenues from their own sources into the equalization formula, thereby

anchoring it to the most comprehensive measure of fiscal capacity ever used in the twenty-five year history of this program. These revenues would be equalized by means of an Ontario standard. As a consequence of that measure, any province that applies average provincial rates of taxation to its own tax bases should be able to provide the same level of public services that Ontario could supply by applying such tax rates to its own tax bases in Ontario.

The projected results of this proposal are set out in a paper attached to the November 12 budget. They show large increases in annual payments under this program. These increases would be approximately $600 million a year, each year over the five-year life of the program, taking it to a level of approximately $7 billion by 1986-87. I want to point out to the hon. member for York-Sunbury that the increase in the case of New Brunswick in 1982-83 is estimated to be more than $90 million, or over 22 per cent. These increases are very large and indicate the government's continuing commitment to the equalization program.

The hon. member for York-Sunbury has asked whether it is the government's intention to achieve savings under its new equalization program. The answer to this question quite simply is no. The government's intention rather is to maintain this program at a level of pay-out that will ensure that it can continue to fulfil its original purpose. The relative amounts that would be paid if the present equalization formula were to be continued are not relevant. As the Minister of Finance has said, the present formula has serious defects and, as a consequence, is no longer compatible with the purpose of the program. Accordingly, the payments that might be paid if the present program were to be continued are no longer relevant.

In closing, I want to assure the hon. member for York-Sunbury, on behalf of my colleague, the Parliamentary Secretary to the Minister of Finance, that the department and the officials of the minister are, indeed, quite willing to sit down with the hon. member at any time to answer any questions or to provide any information regarding the program as announced in the budget.

THE BUDGET—PROVISIONS AFFECTING INCOME-AVERAGING ANNUITIES, (b) REQUEST FOR POSTPONEMENT OF PROVISIONS

Mr. Bill McKnight (Kindersley-Lloydminster): Mr. Speaker, I take part in this adjournment debate to try to express a point of view which is probably shared by every Canadian who has worked hard, every Canadian who has attempted to save, and every Canadian who has attempted to use his or her own funds to provide adequately for retirement in what should be some of the best years of one's life.

● (2210)

The budget that was brought down on November 12 by the Minister of Finance (Mr. MacEachen) affects retirement plans, plans that were already in progress, already made and set under the existing rules established by the government that allowed the purchase of income-averaging annuity contracts up to March 2, 1982. These existing rules were completely ignored. They were wiped out by the November 12 budget. This budget affects the retirement plans of farmers, of small businessmen, of fishermen, of civil servants, of people who save through RRSPs, of people who have contributed years of service to this country in the Armed Forces and who have received severance pay. This budget has taken away the dreams of people who have spent years working at a wage which in many cases was below the average wage in Canada. They felt that by accumulating and acquiring assets and letting their capital appreciate they would be able to provide for their retirement years out of their own funds.

The government and the Minister of Finance have shattered all their dreams. The government has taken away their ability to provide for their retirement years without regard to legislation existing before November 12 and without regard to these people who were trying to save with their own funds.

I have asked questions in the House. The minister says that you can pay your tax forward and save a lot of money. What he is saying now is that Revenue Canada is a savings bank. You cannot save by paying forward 50 per cent of additional income in one year if you are going to continue to have any income at all from investment.

I want to read into the record several letters that I have received. I am doing this for the benefit of the government, the Minister of Finance and the parliamentary secretary. In passing I would just like to comment that I do not expect the Minister of Finance to be here to answer questions on the adjournment debate because he is not here to answer questions during Question Period. But I do expect the Parliamentary Secretary to the Minister of Finance (Mr. Evans) to be here. As capable as the parliamentary secretary who is here to answer may be, his responsibilities are not to respond to members for his colleague who is given an additional salary to be here. I have some reason to suspect that he is not here by reason of a statement he made which appeared in *Hansard*. He stated that farmers have the lowest tax rate in Canada. That may be the assumption which the government used in bringing forward this budget.

The first letter I have here concerns a Mr. Wilson of Wiseton, Saskatchewan, who went to the local district taxation office where he was advised that he would be eligible to acquire an income-averaging annuity contract to shelter his unusually high income generated from the sale of his farm assets and grain on hand. All of a sudden, this is not so.

The next letter concerns a widow in the Rosetown area of Saskatchewan. She had a taxable income of less than $10,000. She sold one quarter section of farmland in order to provide for her retirement. However, she finds under this new policy that she now has to pay $30,000 in capital gains.

The third letter is from a family in Neilburg, Saskatchewan. I will read part of this letter into the record as follows:

> Because of poor health, I have had to give up most of the work, keeping only a few cattle and hiring custom work or renting out the cropland. Our vacations have been very few. We do not have a cabin at a lake, nor a mobile home, nor boat and motor as some farmers do. Our automobile is a 1966 Chev which we bought used in 1972.

The letter continues:

Our land was to be our savings and retirement program.

We sold one quarter section of land in 1980 and are committed to sell one quarter this fall, 1981, and had committed ourselves to sell the last two quarters next year, 1982—

But the government changed the rules in the middle of the game. The letter concludes:

We feel that if the new budget is unfair to even one person, it is not fair at all.

We have another letter from a family in Flaxcombe, Saskatchewan, which reads in part:

This is going to severely penalize all farmers, particularly those who want to keep the farm in the family, for the land will have to be sold to the highest bidder in order to pay the capital gains tax.

● (2215)

Here is another one from Cut Knife, Saskatchewan, which says this man sold his cow herd last spring and his accountant suggested he should purchase income-averaging annuities in December, but now this has changed and his retirement money is going to go to the government.

The reason these people waited to purchase their income averaging annuities, Mr. Speaker, was that they had time under the existing legislation. They were receiving a good interest rate on short-term investment over the last six, eight or ten months so they were not in a hurry because the law was established as far as they were concerned and they would have the ability to purchase these annuities prior to March 2.

A gentleman from Unity, Saskatchewan, rented out his farm, sold all his machinery and grain, because the person taking over would need the storage for his machinery and grain, and received a total of $142,000. He now finds himself liable for $65,000 in net average taxes, whereas if he had purchased a $100,000 income-averaging annuity over ten years, his income would have been $23,560, his taxable income $17,000, and he would have had to pay $4,800 in tax.

This budget affects businessmen, farmers, fishermen and retired civil servants. It is not fair, it is not equitable, it is a farce and we should immediately go back to the situation in relation to IAAC which existed prior to November 12. Thank you, Mr. Speaker.

Mr. Brian Tobin (Parliamentary Secretary to Minister of Fisheries and Oceans): Mr. Speaker, first of all I want to tell the hon. member for Kindersley-Lloydminster (Mr. McKnight) that my colleague, the Parliamentary Secretary to the Minister of Finance (Mr. Evans), I am sure wanted very much to be here tonight to answer these questions. Unfortunately, due to unforeseen circumstances, he was caught out of Ottawa. He is not even in the city this evening. Again, I apologize on his behalf. We thought we should show the courtesy of at least having a representative here on his behalf to answer the questions tonight. In that sense I give you his answer.

I want to tell the hon. member that the Minister of Finance (Mr. MacEachen), and indeed the parliamentary secretary, appreciate the concerns of the hon. member regarding the fairness and equity of the budget measures. The measure ending the deduction for income-averaging annuity contracts meets this objective of fairness, particularly when viewed, as it should be, in the context of other budgetary measures to lower tax rates and to introduce a new system of forward income-averaging.

I certainly concur with the hon. member's concern regarding the retirement prospects of a farmer or a fisherman or any other Canadian but, in the case of a farmer who has decided to sell his farm as retirement income, it is important to examine the new forward income-averaging system carefully. I think that if the hon. member goes to the numbers and works them through he will find that in many cases an individual can be better off under the new system than under the old system, based on IAACs. The individual will have more cash available under the new system in the year of the sale, for example, to invest or consume as he pleases, and he will have much greater flexibility in future years in timing the recognition of his income for tax purposes.

Of course, it may be that in certain circumstances the transitional rules proposed in the budget may cause undue hardship. In that regard I want to reassure the hon. member, because I know his concern is a genuine one, and re-state what the minister has already stated, that the Department of Finance, the Minister of Finance and his parliamentary secretary will be taking those kinds of situations under very serious consideration and will, of course, be taking very seriously the representations the hon. member has put forward tonight.

Mr. Deputy Speaker: A motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow afternoon at two o'clock.

At 10.20 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Wednesday, December 2, 1981

The House met at 2 p.m.

• (1405)

ROUTINE PROCEEDINGS

[*English*]

RAILWAYS

SERIES OF ACCIDENTS IN MIAMI SUBDIVISION IN MANITOBA—MOTION UNDER S.O. 43

Mr. Dan McKenzie (Winnipeg-Assiniboine): Madam Speaker, there have been five serious train derailments in the 60-mile Miami subdivision of the Canadian National Railroad in Manitoba during the past year alone, and two workers have been badly injured. Today trains are forced to travel at ten miles per hour rather than take the chance of running off the track. I move, seconded by the hon. member for Portage-Marquette (Mr. Mayer):

That this House demand that the Minister of Transport take immediate action to have the Miami subdivision made eligible now, not in 1983 as is currently planned, for the federal rail rehabilitation program before there is any loss of life or further injury.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

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EXTERNAL AFFAIRS

VISIT TO CANADA OF PARLIAMENTARY DELEGATION FROM POLAND—MOTION UNDER S.O. 43

Hon. John C. Crosbie (St. John's West): Madam Speaker, I move, under the provisions of Standing Order 43, seconded by the hon. member for Saint-Denis (Mr. Prud'homme), the following motion:

That this House welcome to Canada the parliamentary delegation from the Polish People's Republic, led by Marshal of the Sejm, Stanislaw Guckw with the hope that the visit will strengthen the already strong and friendly relationship between our two countries, and that this House extend to the parliamentary delegation from the Polish People's Republic our support and best wishes for a continuing independent and economically strengthened Poland.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Madam Speaker: Hon. members have heard the motion proposed by the hon. member for St. John's West (Mr. Crosbie), seconded by the hon. member for Saint-Denis (Mr. Prud'homme). Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to.

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BANK OF CANADA

CALL FOR RESIGNATION OF GOVERNOR—MOTION UNDER S.O. 43

Mr. David Orlikow (Winnipeg North): Madam Speaker, I rise under the provisions of Standing Order 43. In view of the latest drop of 4 per cent in Canada's GNP during the third quarter of 1981 and Statistics Canada's forecast that "things will get worse before they get better", and in view of the most recent increase in unemployment of 130,000 people, the highest in 30 years, and whereas the Bank of Canada Governor continues to support the inflationary high interest rate policies pursued by the government and the Bank of Canada, as illustrated in his speech yesterday by his ill-informed and uncaring statements such as "minimum wage rates keep people out of work", I move, seconded by the hon. member for Hamilton Mountain (Mr. Deans):

That this House immediately call for the resignation of Gerald Bouey, the Governor of the Bank of Canada.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

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INDIAN AFFAIRS

NEGOTIATION OF NATIVE PEOPLES' LAND CLAIMS—MOTION UNDER S.O. 43

Mr. Maurice Foster (Algoma): Madam Speaker, I rise under the provisions of Standing Order 43. In view of the imminent passage of the constitutional resolution which will recognize and affirm, for the first time, aboriginal and treaty rights for native peoples in the Constitution of Canada, and in view of the many treaty and land claims under negotiation between Indian Bands and the native peoples across Canada with the Department of Indian Affairs and Northern Develop-

ment, I move, seconded by the hon. member for Timmins-Chapleau (Mr. Chénier):

That this House of Commons encourages and recommends to the Minister of Indian Affairs that the federal government increase its efforts to reach early agreements on treaty and land claim negotiations with the native peoples of Canada on a fair and equitable basis.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

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AGRICULTURE

BEEF INDUSTRY—DEMAND FOR EXPLANATION FROM MINISTER—MOTION UNDER S.O. 43

Mr. Charles Mayer (Portage-Marquette): Madam Speaker, the federal government is the single largest advertising account this country has and the supplementary estimates allocate additional funding for advertising by the federal government. I move, therefore, under the provisions of Standing Order 43, seconded by the hon. member for Swift Current-Maple Creek (Mr. Hamilton):

That the Minister of Agriculture explain to the House why he is unable to do anything for the Canadian beef industry, while at the same time the federal government has an ever growing budget for advertising.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

THE CONSTITUTION

ROLE PLAYED BY SASKATCHEWAN IN HAVING WOMEN'S AND NATIVES' RIGHTS ENTRENCHED—MOTION UNDER S.O. 43

Mr. Doug Anguish (The Battlefords-Meadow Lake): Madam Speaker, I rise under the provisions of Standing Order 43 on a matter of urgent and pressing necessity. In light of the resolution under Standing Order 43 which passed on November 19, 1981, moved by the hon. member for York South-Weston (Mrs. Appolloni), I wish to report to this House that lobbying the Saskatchewan government was unnecessary because the province of Saskatchewan had already stated its support for women's rights in a telex to the Minister of Justice (Mr. Chrétien) the previous day. To set the record straight, I move, seconded by the hon. member for Regina East (Mr. de Jong):

That this House congratulate the province of Saskatchewan for its positive role in having women's and natives' rights entrenched in Canada's Constitution.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

• (1410)

HEALTH

APPROVAL FOR TREATMENT OF EPIDERMOLYSIS BULLOSA—MOTION UNDER S.O. 43

Mr. Otto Jelinek (Halton): Madam Speaker, yesterday officials of the Department of National Health and Welfare approved the process and medications used by Romanian scientist, Mr. Pavel Kozak, in his treatment of a previously incurable and potentially deadly skin disease called epidermolysis bullosa. In view of the fact that this approval brings Mr. Kozak's treatment one step closer to being made available to Canadians in Canada, I move, seconded by the hon. member for Portage-Marquette (Mr. Mayer):

That this House recognize and support Mr. Kozak in his effort to make this treatment accessible to the hundreds of Canadians who suffer from this disorder, a treatment without which they have little hope of recovery.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

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HOUSING

LEGISLATION SOUGHT TO REDUCE MORTGAGE INTEREST RATES—MOTION UNDER S.O. 43

Mrs. Margaret Mitchell (Vancouver East): Madam Speaker, yesterday at the NDP economic hearings held in Edmonton, representatives of the private housing industry, HUDAC, told us the following:

For many Albertans and many of the 60,000 people expected to migrate into Alberta next year, there will be waiting lists for apartments, doubling and tripling up, illegal or below standard shelter, or people being forced to leave because they cannot find shelter.

The situation is even worse in British Columbia with higher housing costs and rents. Since every one of many persons presenting briefs from both sides of the mountains was convinced that the budget will make conditions much worse, I move:

That the Minister of Finance come down from the mountain top and bring in legislation to reduce mortgage interest rates to 12 or 14 per cent, which even HUDAC now recommends.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

THE BANK ACT

CALL FOR AMENDMENTS TO GUARANTEE LEVEL OF MORTGAGE INTEREST RATES—MOTION UNDER S.O. 43

Mr. Neil Young (Beaches): Madam Speaker, I too rise under the provisions of Standing Order 43. In view of the fact that thousands of home owners across the country are forced to renew mortgages at outrageous interest rate levels and those home owners will receive no assistance from the November 12 budget, as will very few other home owners, I move, seconded by the hon. member for Vancouver East (Mrs. Mitchell):

That this House instruct the Liberal government to bring forward immediately amendments to the Bank Act that will guarantee that mortgage interest rates will be within the means of all Canadians and that these amendments will be applicable to all existing mortgages whether they are up for renewal or not.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

CRIMINAL CODE

AMENDMENT OF PROSTITUTION SECTIONS—MOTION UNDER S.O. 43

Mr. Svend J. Robinson (Burnaby): Madam Speaker, I rise under the provisions of Standing Order 43 on a matter of urgent and pressing necessity. In view of yesterday's decision by the Supreme Court of Canada dismissing appeals by the Crown on two soliciting charges in the City of Vancouver, British Columbia, and in view of the very serious threat to the residential neighbourhood in the West End of Vancouver as a result of the problems of street prostitution there, I move, seconded by the hon. member for Vancouver-Kingsway (Mr. Waddell):

That this House call upon the Minister of Justice to bring forward at the earliest possible time amendments to the Criminal Code which would make it very clear that not only the woman who is a prostitute can be charged but also the customer who is harassing innocent women can be charged, and as well, that the minister bring forward Bill C-53 at the earliest possible time.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

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EMPLOYMENT

ACCELERATED DEPRECIATION ALLOWANCES SOUGHT FOR EQUIPMENT USED FOR TRAINING PURPOSES—MOTION UNDER S.O. 43

Mr. Peter Elzinga (Pembina): Madam Speaker, in view of the recommendation of the all-party parliamentary report

"Work for Tomorrow", and recognizing the severe shortage of skilled workers in Canada, I move, seconded by the hon. member for Oxford (Mr. Halliday):

That the federal government grant accelerated depreciation allowances to companies using equipment and machinery for training purposes.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

NATIONAL ENERGY PROGRAM

SUGGESTED EXAMINATION OF PETROLEUM AND GAS REVENUE TAX—MOTION UNDER S.O. 43

Mr. Ian Waddell (Vancouver-Kingsway): Madam Speaker, in view of the fact that some hon. members on this side of the House have just come from economic hearings held in Vancouver and in Edmonton, and in view of the fact that we have heard from the Energy Services Association and the Canadian Petroleum Association, one of whose members was quoted in the *Toronto Star* today as saying that "he didn't expect Waddell to stand up in the House, and speak up for his cause", and in view of the fact that these groups are clearly suffering, especially the small servicing companies, because of the energy deal between Alberta and Ottawa, I move, seconded by the hon. member for Kamloops-Shuswap (Mr. Riis):

That the government take another look at the 12 per cent petroleum and gas revenue tax as it pertains to the small servicing and small drilling outfits so that we can help them survive these difficult times.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

• (1415)

ORAL QUESTION PERIOD

[*English*]

ADMINISTRATION OF JUSTICE

WRITS OF ASSISTANCE—REQUEST FOR ABOLITION

Hon. Ray Hnatyshyn (Saskatoon West): Madam Speaker, my question is directed to the Minister of Justice who has responsibility at law with respect to writs of assistance. The minister knows that writs of assistance provide the holder with extraordinary legal ability to carry out searches and seizures without search warrants. There is no discretion provided to the court with respect to issuance, no back-up material need be

filed outlining the reason for issuance, and there is no time limit imposed upon the duration of these writs.

As the Minister of Justice will know, the Solicitor General has been putting out floaters with respect to the lifting of the moratorium imposed by the minister's predecessor, the Hon. Ron Basford. The Solicitor General has put out other floaters with respect to the prosecution of Nazi war criminals in Canada, which has now been repudiated by the Minister of Justice.

The Minister of Justice has now had an opportunity to consider his position and the position of the government in this matter. I wonder whether the minister will stand in his place and make an unequivocal declaration that the moratorium on writs of assistance will not be lifted and, indeed, that writs of assistance will be abolished by the government.

[*Translation*]

Hon. Jean Chrétien (Minister of Justice and Minister of State for Social Development): Madam Speaker, yesterday I had an opportunity to appear before the committee, and I said that the moratorium imposed in 1977 by my predecessor, Mr. Basford, was still in place and that for the time being, we had no intention of making any changes.

[*English*]

REQUEST THAT MINISTER REPUDIATE PROCESS

Hon. Ray Hnatyshyn (Saskatoon West): Madam Speaker, the Minister of Justice knows that today is the day on which we will be voting on the constitutional package, which involves a Charter of Rights and Freedoms. As the minister well knows, that Charter contains the principle that the individual in Canada should be free from unreasonable search and seizure, yet he stands in his place and supports the continuation of writs of assistance. By not repudiating the Solicitor General the Minister of Justice is allowing the Solicitor General to make policy for the government by default.

In view of the fact that today is the day to demonstrate that there is *bona fide* on the part of the government with respect to civil liberties, I want to ask the minister once more to accept his responsibility and repudiate, once and for all, these lifetime licences to break and enter the homes of Canadians.

Hon. Jean Chrétien (Minister of Justice and Minister of State for Social Development): Madam Speaker, I said that the moratorium is still in place, and I do not intend to change that. When the RCMP appeared in committee, it was explained to the members that there are circumstances when police officers are on duty in which they need some instrument to be able to discharge their responsibility. The number of writs has now been reduced to eighty, and we would like to see further reduction. I repeat that we do not intend to change the moratorium, but I do think at one point we will have to look at alternative mechanisms to help the police discharge their responsibility and at the same time make sure that the rights of Canadians are well protected.

FORMULATION OF POLICY

Hon. Ray Hnatyshyn (Saskatoon West): Madam Speaker, what the minister suggests would be quite all right, but when questioned in the Standing Committee on Justice and Legal Affairs Commissioner Simmonds of the RCMP indicated that writs of assistance would not be the cure in connection with the drug problem in Canada. The minister's assumptions are indeed wrong in this particular instance.

The minister also knows that the Law Reform Commission, which reports to him, is undertaking a study on the efficacy of writs of assistance. A report on that study will be released in April of next year.

All I want the minister to tell me is who in fact is in control of this matter. Will the minister stand and indicate that the Solicitor General will be building the policy in this matter? Is it the policy of the government to allow ministers to go around the country, at great expense, promoting their own particular fetishes and ideas respecting policy? Possibly in the case of the Minister of Finance he might have done some good in that respect, but is the Minister of Justice going to allow the Solicitor General to keep promoting this, and will the minister stand mute while this policy comes into effect by default?

Hon. Jean Chrétien (Minister of Justice and Minister of State for Social Development): Madam Speaker, after the small speech of the hon. member I do not have to add anything. I stated the policy of the government very clearly. The moratorium is still in place. We are concerned about the problems of the RCMP in discharging their responsibility. At the same time we are concerned about the need of Canadians to have their rights protected. I think the situation is well in hand at this time, and if there is some change I will announce it to the House of Commons.

* * *

● (1420)

THE ENVIRONMENT

CLEAN UP OF OIL SPILL IN ARCTIC WATERS

Mr. Tom McMillan (Hillsborough): Madam Speaker, my question is directed to the Minister of Transport. Yesterday the Canadian Arctic Resources Committee released a study that documented how it took the federal government nine months to handle an oil spill from the vessel *Edgar Jourdain* at Hall Beach in the Arctic, involving something like 20,000 gallons of diesel fuel. Given that the study established in great detail that the government's response to this oil spill was characterized by "bureaucratic indecision, interdepartmental wrangling and an unwillingness to act", will the minister admit that the *Edgar Jourdain* incident demonstrates beyond any doubt that the government is incapable of handling any kind of oil spill, whether major or minor, especially in Arctic waters?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, that is not the information I have. My information is that the *Edgar Jourdain* was grounded in September, 1980,

and that burn-off operations were carried out in June, 1981. The public hearing was held in April, 1981. I have questioned my officials on this subject. They explained to me that the burning-off operation could not be conducted because of the weather. Consequently, they had to wait until spring to do it. With respect to the hearing, there is nothing abnormal in the time it took to set it up. I was told that throughout, local government, industry, all the interested parties, were kept fully aware of what was happening.

REQUEST THAT INQUIRY BE INSTITUTED

Mr. Tom McMillan (Hillsborough): Madam Speaker, the minister should go back to the drawing board. He should certainly go to a different group of officials and get the real facts, including the fact that it took the Department of the Environment six weeks to respond to a request from the owners of the vessel *Edgar Jourdain* for guidance in disposing of the petroleum on board that vessel. In view of the minister's confusion and the fact that there is a conflict between what officials of his department are saying and what environmentalists and conservationists are saying, will he support a full inquiry into the *Edgar Jourdain* incident with a view to preventing a similar disaster and a similar shambles in the future? Will be at least admit the need for an inquiry to look into the whole matter?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, I want to emphasize that public hearings were held on this matter in April, 1981. The hon. member is doing his job and I will do mine. Now that he asks me to look into the matter further, I will, and report to him very rapidly.

* * *

THE ECONOMY

EFFECT OF MONETARY POLICY

Mr. Bob Rae (Broadview-Greenwood): Madam Speaker, my question is for the Prime Minister. In an unbelievably callous and insensitive speech in Montreal yesterday, Governor Bouey, known in many circles as Bouey XVI—

Some hon. Members: Oh, oh!

Mr. Rae: —admitted that six years of monetarism had not worked because of high energy costs, low productivity and international inflation, and that the only thing it had produced was a recession. He said, "One has to see how it works out." I would ask the Prime Minister how the government can continue to implement that policy for the next five or six years, as promised by Governor Bouey, when we know we are going to be faced with high energy costs, low productivity because of high interest rates, and international inflation. When will the government learn from its experience and stop this monetary foolishness?

Mr. John Evans (Parliamentary Secretary to Deputy Prime Minister and Minister of Finance): Madam Speaker—

Some hon. Members: Oh, oh!

Mr. Evans: —it is rather interesting to hear the hon. member for Broadview-Greenwood come out with his criticisms of Governor Bouey, who simply said that after six years the policy has not worked as well as he would have liked to have seen it. Obviously when inflation is running at 12.7 per cent, it is not working as well as the governor would like to have seen it or as we would like to have seen it. The fact is that the only way we are going to control inflation is to follow policies that include monetary restraint and support from the fiscal side of the government policies as well. The current budget implements those policies to support monetary policy. We think that is the way we are going to get inflation under control, real growth going in the economy, and to get the situation back on its feet.

• (1425)

STATEMENT MADE BY GOVERNOR OF BANK OF CANADA

Mr. Bob Rae (Broadview-Greenwood): Madam Speaker, I am not sure whether I got Edgar Bergen or Charlie McCarthy, but I would like to go back to Charlie McCarthy, if I can.

Let the record show, Madam Speaker, that when the Prime Minister was asked a fundamental question on the economy, he was unable and unwilling to answer.

Some hon. Members: Hear, hear!

Mr. Rae: My supplementary question, Madam Speaker, deals with another comment made by Governor Bouey when he said that minimum wages of $160 a week were a cause of both unemployment and inflation, and when he said that workers had to accept even lower wages although they have fallen behind inflation for the last four years. My question is directed to the Prime Minister and it is a fundamental question of policy. Does the Prime Minister agree, Madam Speaker, with Governor Bouey that wages of $160 a week, or $8,320 a year, are excessive, and if he does not agree with Governor Bouey why does he not fire him?

Some hon. Members: Hear, hear!

Mr. John Evans (Parliamentary Secretary to Deputy Prime Minister and Minister of Finance): Madam Speaker, the question of minimum wages is, to a great extent, a provincial responsibility. The governor may have made some comments within the context of the over-all economic situation. Madam Speaker, the government is more concerned with trying to get the economy back on its feet and running efficiently, creating jobs and increasing incomes for all Canadians, than to deal with this. With the kind of questions the hon. member is asking, then any dummy should be able to answer them.

Some hon. Members: Hear, hear!

Mr. Rae: That is precisely why I asked the question of the Prime Minister.

Some hon. Members: Hear, hear!

Mr. Rae: Madam Speaker, I am sorry, when they lob them like that it is hard not to hit them back.

REQUEST THAT MEASURES BE INTRODUCED TO CURB EXCESS PROFITS

Mr. Bob Rae (Broadview-Greenwood): This is my final supplementary to the Prime Minister. I wish he would just try to take an interest in problems that really do concern the average Canadian and that hit the average Canadian where it really hurts. Given the fact that Governor Bouey was quick to defend the chartered banks' profits, which have been at record levels as announced just in the last two or three days—50 per cent for the Royal Bank, 40 per cent for the Toronto-Dominion Bank, profits in the hundreds of millions of dollars—and given the fact that the budget has clearly failed to address the central economic questions facing the country, why will the Prime Minister not introduce additional measures to the budget which will deal with the problem of excess profits, which will deal with the problem of the economy in a recession, and which will provide some hope for Canadians facing the most difficult winter in 25 years?

Some hon. Members: Hear, hear!

Mr. John Evans (Parliamentary Secretary to Deputy Prime Minister and Minister of Finance): Madam Speaker, the question of bank profits is one that the Minister of Finance has looked at in the past, and he continues, as he said earlier, to be concerned with that question of the growth of bank profits. But the hon. member has to realize that if we are to get the country growing and going again we must have an economic position that does not respond with fiscal policies, that is, the big levers of our economic strategy, to problems that even the hon. member himself would indicate will last for a period of perhaps two quarters. If we re-inflate the economy through massive fiscal stimulus, then the hon. member will be complaining next year that inflation is higher then than it is now, investment will be lower and confidence in the economy will be less. We do not plan to follow that kind of an approach, at least not this government, Madam Speaker.

Some hon. Members: Hear, hear!

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SMALL BUSINESS

REQUEST FOR AID FROM GOVERNMENT

Mr. Otto Jelinek (Halton): Madam Speaker, my question is directed to the Minister of Industry, Trade and Commerce. It has become more than evident that last month's budget, which the minister supported, is having a devastating effect on small business and most other sectors of our economy. While the government's excuse is fiscal restraint, yesterday the minister dipped into funds made available through the Industry and Labour Adjustment Program to buy off his already disenchanted home town of Windsor with a $6 million interest free loan, in order to help Hilton Hotels expand their chain to his city. Could the minister justify this action when he knows full well that $6 million interest-free would create more full-time jobs in small business, for example? When will the government stop catering to large multinationals and start helping the small guys?

● (1430)

Some hon. Members: Hear, hear!

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Madam Speaker, the Industry and Labour Adjustment Program is designed to help create new long-term viable employment in the communities designated under it. It permits assistance to eligible commercial activity which makes sense in the community. When there is a potential for a hotel business to serve conventions and tourism, creating some 300 permanent jobs and perhaps double that amount in indirect jobs connected with the project, I do not see why my hon. friend opposes that for any community in Canada which is justified for inclusion under the Industry and Labour Adjustment Program.

* * *

THE BUDGET

PROVISIONS AFFECTING RETIREMENT INCOME

Mr. Vince Dantzer (Okanagan North): Madam Speaker, I wanted to direct my question to the Minister of Finance, but I understand that he is out of the House eating haggis when he should be in the House eating crow.

Some hon. Members: Hear, hear!

Mr. Dantzer: Therefore I will direct my question to the Minister of National Health and Welfare. The minister is aware that certain proposals in the budget seriously and viciously attack retirement income. To mention only two, they are the removal of interest deductibility on loans to purchase RRSPs, and the taxation of insurance dividends. The minister must know that this seriously jeopardizes the third tier of the retirement system, that is, personal savings. Since the minister has spoken a great deal about pension reform, is she in favour of these vicious proposals?

Hon. Monique Bégin (Minister of National Health and Welfare): Madam Speaker, I do not accept any more than any other Canadian that some people in top income brackets can benefit from tax privileges in the name of putting aside good pensions.

Some hon. Members: Oh, oh!

Miss Bégin: I know very well that we have figures proving that in Canada those with good pensions, aside from public servants at all levels of government—this is okay because that is the pension we want other Canadians to reach—are senior executives. They are equipped with abnormally good pensions. I am against that. By the way, I wish I knew the difference between eating crow and haggis.

Some hon. Members: Oh, oh!

* * *

MINES AND MINING

REQUEST FOR CHANGES IN BUDGET PROVISIONS

Mr. Thomas Siddon (Richmond-South Delta): Madam Speaker, my question is directed to the Minister of State for Mines. They budgetary provision which will restrict the deductibility of interest costs will have, and is already having, a strong negative impact upon the availability of investment capital to junior mining companies. Also we read that the major giants of the mining industry, Inco and Noranda, have registered massive third quarter losses. What is the hon. minister recommending to the Minister of Finance in terms of changes to the budget to rectify these very serious problems?

Hon. Judy Erola (Minister of State (Mines)): Madam Speaker, I answered the hon. member's question the other day. Perhaps he did not examine the answer very thoroughly. I explained to him that the Minister of Finance had taken into account one of the recommendations of the Department of Energy, Mines and Resources which the prospectors and developers strongly proposed for several years. That was the change to capital gains for those investors who are particularly interested in exploration and development. The international markets are the reason for the decline in the profits of the two major companies, Inco and Noranda. I am sure the hon. member is well aware of that. We are as concerned as he about the viability of the Canadian mining industry.

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UNEMPLOYMENT INSURANCE

EFFECT OF PROPOSED CHANGES ON ATLANTIC PROVINCES

Mr. Bob Corbett (Fundy-Royal): Madam Speaker, I should like to direct my question to the Minister of Employment and Immigration. As the minister is aware, the ministers of social services for the Atlantic provinces have expressed concern about some proposals which the minister is considering to the unemployment insurance reform package. They are primarily an increase in the number of work weeks to be eligible for UIC benefits from ten to 15 weeks, and the introduction of a regional differentiated single phase benefit structure. Notwithstanding the fact that if the minister's program is put into effect it will put untold hundreds of people on the welfare roles and that the program is shared under the Canada Assistance Plan, will he reconsider and advise the House if indeed it is his intention to put those programs into effect? If so, will he reconsider those decisions in order to show a little consideration for the Atlantic region?

Hon. Lloyd Axworthy (Minister of Employment and Immigration): Madam Speaker, once again the hon. member is engaging in the exercise of faulty future forecasting. I should simply like to point out to him that a task force report put forward a number of recommendations for discussion. We have been spending a good deal of time over the past summer and fall consulting with business, labour, and provincial governments to discuss the entire area of reform in the unemployment insurance package and in the labour market area, including many reforms that would allow repeaters and new entrants to gain benefits at an earlier date than they now do. Those reforms are still being discussed. We will be holding further meetings with the provincial governments before any decisions are made. When the decisions are made, they will be brought to the attention of the House.

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HOUSING

EFFECT OF HIGH INTEREST RATE POLICY

Mr. Nelson A. Riis (Kamloops-Shuswap): Madam Speaker, my question is directed to the minister responsible for housing. At recent task force hearings in western Canada, knowledgeable representatives of the construction industry made it very clear, based on the government's present economic leadership and the decisions brought down in the budget, that they are predicting a literal collapse of the housing industry in Canada in the next six months. Also they made it very clear that many people who are trying to obtain access to housing or rental accommodations find it difficult to understand why, in a country clothed in forests, with ample land, with builders willing to build, with contractors willing to contract out, with sawmills willing to operate, and with people wanting to buy houses, they cannot obtain access to houses. What will the minister do? Will he admit that the present high interest rate policy is the major stumbling block?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, in the last week I have had the opportunity to conduct many economic conferences in one part of the country or the other. I should like to respond to the hon. gentleman by telling him that in the various regional offices of CMHC I have met with various representatives of the industry across the country. As late as a half hour ago I met with the national executive of HUDAC in Ottawa. The scene is not as desperate or as bleak as the hon. member would point out. We have to consider that the starts this year will be considerably higher than last year. Every respectable projector of housing starts for next year shows starts improved over this year. This means that they will be in the area of somewhere over 175,000 units. In addition, with the $350 million directed to assist and increase starts in the country announced in the budget a few

weeks ago, with one in four housing starts supported by the government, and with the support of the provinces which I requested in the last few days, I am positive that housing will be in a very good position and that the industry will be handsomely supported.

Mr. Riis: Madam Speaker, I suspect that the minister is the only person who is encouraged by what he is hearing these days. Certainly representatives of the industry are not commenting that way at all.

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INDUSTRY

REQUEST THAT BRITISH COLUMBIA FOREST INDUSTRY BE ASSISTED

Mr. Nelson A. Riis (Kamloops-Shuswap): Madam Speaker, my supplementary question is directed to the Minister of Industry, Trade and Commerce. In our discussions with management and labour on the west coast of Canada, we found that the British Columbia forest industry is in its worst slump in 35 years, with production down nearly 40 per cent in logging operations along the British Columbia coast. Earlier we heard the minister's efforts at industrial restructuring in Windsor with a $6 million interest-free loan to a company which will enventually be taken over by the struggling Hilton corporation. Is this his idea of assisting auto workers in Ontario? Will he be using the same approach to assist logging and forestry workers in British Columbia?

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Madam Speaker, as far as I am aware the project in question will remain under Canadian control. The project was widely praised by representatives of the workers in the Windsor area.

With respect to British Columbia forest industries, it is an unfortunate fact that the major market for their production, the United States, is in a state of severe economic decline; economic growth there has just about drawn to a halt. At the same time we are continuing our efforts to assist the British Columbia forest products industry to maintain and strengthen its position in the United States and in world markets. We have the program of co-operative overseas market development which we are running jointly with the B.C. forest industry and the B.C. government. We recently renewed our agreement to support that program, providing increased funding over three years. This program has a successful track record, increasing our experts to other than U.S. markets from $200 million to $1 billion in the last ten years. We look forward to the successful operation of that program, giving further strength and growth to the B.C. forest products industry and the workers in that important sector.

• (1440)

[*Translation*]

HOUSE OF COMMONS

PRESENCE IN GALLERY OF PARLIAMENTARY DELEGATION FROM THE REPUBLIC OF POLAND

Madam Speaker: I wish to call to the attention of the House the distinguished presence in our gallery of a delegation of parliamentarians from the People's Republic of Poland, headed by Marshall Stanislaw Guckw, the Speaker of the Polish Parliament.

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PETRO-CANADA

ALLEGED DIFFICULTIES IN RENEWING CREDIT CARDS

Mr. Henri Tousignant (Témiscamingue): Madam Speaker, my question is directed to the Minister of Energy, Mines and Resources, and it consists of three parts.

First, owners of Petro-Canada service stations are complaining that credit cards are not being renewed as fast as they should be, and as a result, they are losing a lot of business. It seems there are hardly any credit cards. Second, people are complaining that when they dial the Zenith number to call for information on conversion of heating systems, the number is always busy and they never get through. Third, in the agreement signed with Hydro-Quebec, does it say that Hydro-Quebec is to provide services as soon as possible? There are still complaints that people have to wait three months before they even see the inspectors. Can the minister comment on that?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, I find very encouraging that the Canadian public is showing a great deal of support for Petro-Canada service stations, and that is also why there has been some delay in providing credit cards. In fact, the number of credit card applications is very high, and I have been told that Petro-Canada cannot keep up with the demand at the present time. All I can say, is that people will have to be patient for a while and they will get their cards.

Regarding the second point, I shall check with my department to see what is happening. Probably there have been quite a few queries from home owners wanting to switch to gas or electricity or other types of heating, and if necessary, we shall put in additional lines to meet the demand. As for the last point, I shall forward my colleague's remarks to the authorities at Hydro-Quebec and ask them to look into the situation, with a view to dealing with the public's requests as quickly as possible.

[*English*]

THE BUDGET

EFFECT ON INVESTMENT IN FILM AND TELEVISION INDUSTRIES

Mr. John Bosley (Don Valley West): Madam Speaker, I only have a 12-part question. In the absence of the Minister of Finance may I put my question to the Minister of Communications who will know that the proposed changes in the budget, notably the change in the capital cost allowance and the non-deductibility of interest, have put into jeopardy millions of invested dollars and hundreds of jobs in the film and television industries in Canada. Would the minister please tell the House what representations he has made to the Minister of Finance to abandon these proposals that put the clear lie to the minister's fine words regarding the Canadianization of our cultural industries?

Hon. Francis Fox (Minister of Communications): Madam Speaker, I am glad that the hon. member has underlined the very real usefulness of the capital cost allowances in getting the Canadian film industry on its feet. It was introduced in 1974, I believe, and it has permitted not only the existence and the survival but the flourishing of the Canadian film industry. Anyone who has followed the Canadian film industry also knows that it has had a very difficult year in 1980-81. All of the forecasts for this year were that, from a high of $170 million last year, there would probably be, at the maximum some, $40 million to $70 million worth of films produced in this country this year.

It is the intent of the government to see to it that there continues to be a good program production industry in Canada. We intend to see that that industry not only continues to survive but continues to flourish. As a matter of fact I believe the Canadian film industry is now beginning to produce the type of films of which all Canadians can be proud and which will justify the continued existence of a capital cost allowance of the type we have had up to now.

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REGIONAL ECONOMIC DEVELOPMENT

EFFECT OF HIGH INTEREST RATES ON DREE PROGRAMS

Hon. J. Robert Howie (York-Sunbury): Madam Speaker, my question is for the Minister of Regional Economic Expansion. The latest Statistics Canada figures show the most severe drop in employment in Canada is in Quebec and in the Atlantic provinces. Has the minister considered the effect that continuing high interest rates have on DREE programs that are operated extensively in these areas and, if so, what measures is he taking to prevent the positive and important effect of DREE programs from being eroded?

[*Translation*]

Hon. Pierre De Bané (Minister of Regional Economic Expansion): Madam Speaker, I would like to remind the hon. member and in fact, I am pleased to be able to do so, that most of the DREE budget is spent in the Maritimes and Quebec. Furthermore, there is a basic rule in our federal system that each government must bear the consequences of the policies it puts forward and implements. And now the government of Quebec has imposed on that province the highest gas prices in North America, a policy that will certainly not be conducive to regional development in Quebec. I feel that in a federal system, it is elementary that each government should bear the consequences of its actions. And when Quebec businessmen, for instance, complain that under the province's tax system, they pay 26 per cent more income tax than elsewhere in Canada, that does not help regional development either.

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[*English*]

THE BUDGET

IMPACT ON VOLUNTARY SECTOR AND MUNICIPALITIES

Mr. Walter McLean (Waterloo): Madam Speaker, my question is for the Secretary of State who will know that the Canadian Council of Social Development has warned that the budget will cripple an already overloaded voluntary sector and that it has reported that the budget will increase the burden on municipal governments. Both bodies provide many social services for Canadians. Has the minister asked the Minister of Finance to change the budget so that it does not penalize individual volunteers and local governments across Canada in their caring efforts?

Hon. Gerald Regan (Secretary of State): No, Madam Speaker.

EFFECT ON INSURANCE POLICIES AND RETIREMENT SAVINGS PLANS

Mr. Dan McKenzie (Winnipeg-Assiniboine): Madam Speaker, in the absence of the Minister of Finance I will direct my question to the acting minister. Insurance companies and citizens planning their future are being severely penalized by the budget's new means of taxing. Canadians will no longer be able to maintain the Canadian tradition of self and family protection through self initiated RRSPs or insurance plans, and many will have to turn to welfare. There will be no incentive to buy retirement policies, and this will cause lay-offs in the insurance industry. Will the acting minister guarantee this House that he will do everything in his power to have these tax penalties on insurance policies and RRSPs cancelled in the next overhaul of the budget?

Mr. John Evans (Parliamentary Secretary to Deputy Prime Minister and Minister of Finance): Madam Speaker, I understand that the hon. member is asking a question with regard to insurance policies and RRSPs. I think he is under the same delusion as his leader who seems to think that in some way the government's proposals tax the contributions put in RRSP accounts. The government's proposals do no such thing.

The hon. member should inform his leader that when he makes the statement that the government's policies are taxing the moneys that are borrowed to put into an RRSP, that is not true either. The government is simply saying that the interest on moneys borrowed can no longer be deducted from other income, other earnings, other non-investment earnings. Certainly there is a great benefit to Canadians in putting money into RRSPs even if that money is borrowed, because they will be able to deduct the contribution from income. If someone borrows $3,500 and is in a 25 per cent tax bracket, he will save about $1,150 in taxes in the year that occurs.

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EXPORT DEVELOPMENT CORPORATION

SUBSIDY TO MEET INTEREST LOSSES

Hon. Marcel Lambert (Edmonton West): Madam Speaker, my question is directed to the Minister of Industry, Trade and Commerce. Would the minister explain to the House why the Export Development Corporation must be given a subsidy in the last quarter of 1981 and in the calendar year 1982 of $36 million to meet interest losses?

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Madam Speaker, the Export Development Corporation borrows in world markets wherever it can get the best deal. At the same time there has been a very strong demand for loans. In order to maintain the level of operations which are so important to Canada's export industry, we have to provide this amount as provided for in the supplementary estimates.

● (1450)

GUIDELINES GOVERNING BORROWING POLICY

Hon. Marcel Lambert (Edmonton West): Madam Speaker, what are the guidelines that the cabinet imposes upon the Export Development Corporation in its borrowing policy so that the subsidy granted to the corporation does not run away unchecked? What are the guidelines? Does the minister insist upon passing on the transactions of borrowing abroad at high rates of interest, or lending money at extraordinarily low rates?

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Madam Speaker, the Export Development Corporation seeks the best rates it can when it borrows, and when it lends it does not seek extraordinarily low rates for the loans it makes. It seeks rates which will be competitive with competition abroad, enabling our export industry to remain strong. I hope my hon. friend is not opposing our efforts to enable the Export Development Corporation to meet foreign competition and strengthen our export activities across the country. We want to strengthen its activities. We want to strengthen our exports. I am sorry that my hon. friend seems to oppose this.

[*Translation*]

EXTERNAL AFFAIRS

GUATEMALA—MEASURES TAKEN RESPECTING DETENTION OF FOUR CANADIAN WOMEN

Mr. Dennis Dawson (Louis-Hébert): Madam Speaker, my question is directed to the Secretary of State for External Affairs. Can the Secretary of State for External Affairs inform the House of the representations made by his department concerning four Canadian women in Guatemala who were arrested in a case of alleged kidnapping and the use of forged documents in order to adopt children in Guatemala?

Hon. Mark MacGuigan (Secretary of State for External Affairs): Madam Speaker, we have helped the four women who are being held prisoners in Guatemala in various ways. We have helped them to retain counsel, we have already improved their situation in prison, including admittance to hospital of one of the women. We have communicated on their behalf with their families and in fact, we have done everything we could do in the circumstances, subject to Guatemalan law. We have heard that one of the four prisoners has been charged with forging official documents and the three others have been accused of collusion. There is, however, a real possibility that the four women will be released on bail by the end of the week.

* * *

[*English*]

THE BUDGET

TAX EXEMPTIONS FOR WORK RELATED EXPENSES IN NORTHERN AREAS

Mr. Rod Murphy (Churchill): Madam Speaker, my question is for the Minister of Labour. In the travels of the New Democratic Party economic task force, a number of presentations from both industry and labour regarding taxation of work related benefits were heard. These groups expressed unanimous concern that many projects in the north and in remote communities will not take place—

Madam Speaker, can we get the Minister of Labour back into the House?

An hon. Member: He is over there.

An hon. Member: Do your homework.

An hon. Member: You don't know who he is.

Some hon. Members: Oh, oh!

Mr. Murphy: Madam Speaker, will the government recognize that many work related expenses are necessary for people working in remote and northern communities? Will the minister make sure that these expenses, like subsidized food, subsidized housing and trips back to home communities, will not be taxed?

Hon. Chas. L. Caccia (Minister of Labour): Madam Speaker, I am sure the hon. member is also aware that the tax measures will make it possible for 12 million Canadians to pay $200 a year less in personal income tax.

QUERY RESPECTING TAX LEVELS

Mr. Rod Murphy (Churchill): Madam Speaker, I have another question for the minister. If the government really thinks that the workers in this country have benefited from this budget, why did the government only reduce the taxation rate for those who are earning the most in this country? Why did the government not provide the exact same tax reduction for those people who will be taxed more on benefits? Why do those people not also receive a tax reduction through the budget?

Hon. Chas. L. Caccia (Minister of Labour): Madam Speaker, the hon. member does not seem to be aware that the tax measure will bring down the tax rate for millions of Canadians, including millions of workers.

* * *

HAZARDOUS SUBSTANCES

UREA FORMALDEHYDE FOAM INSULATION—QUERY RESPECTING COMPENSATION FOR AFFECTED HOME OWNERS

Mr. Geoff Scott (Hamilton-Wentworth): Madam Speaker, my question is for the Minister of Consumer and Corporate Affairs, who is behind the curtain. It concerns urea formaldehyde foam insulation. I am told that the Minister of Consumer and Corporate Affairs is the only minister who can answer this question. Here he comes.

Some hon. Members: Hear, hear!

An hon. Member: He doesn't have any answers.

Mr. Siddon: He was out talking to the press a minute ago.

Some hon. Members: Oh, oh!

Mr. Scott (Hamilton-Wenworth): Let us see if the minister gets the same applause from all home owners who have urea formaldehyde foam insulation in their homes. What kind of compensation has the government decided for those home owners who have UFFI in their homes? Who will be compensated, and how many dollars are involved?

Mr. Nielsen: As announced by the minister.

[*Translation*]

Hon. André Ouellet (Minister of Consumer and Corporate Affairs): Madam Speaker, the hon. member is aware that last June we announced a five-point program to assist UFFI victims. We set up an information centre, and we also set up a mechanism for responding to all requests and concerns of these home owners. We have carried out tests in 2,400 homes throughout the country. The National Research Council has been given some $2 million to conduct research on ways of neutralizing this product or helping home owners to more changes without incurring the prohibitive cost of—in the worst event—having their homes demolished. So that I feel the government has already done more than its share to help these victims.

Furthermore, I can inform the hon. member that a second series of measures is being considered by cabinet, and will be announced in due time.

* * *

[*English*]

FISHERIES

FINANCIAL ASSISTANCE SOUGHT BY NEWFOUNDLAND FISHING COMPANY

Hon. John C. Crosbie (St. John's West): Madam Speaker, my question is for the Minister of Fisheries and Oceans. The minister has had a request from Lake Group Ltd. for financial assistance. Lake Group Ltd. is the second largest fishing company in Newfoundland. I am advised if that company does not hear about financial assistance in the next few days that it will have to close its eight plants in Newfoundland, putting 2,500 people out of work directly. The company will cease to buy fish from 1,600 inshore fishermen, and 20,000 people who live in the communities where it has fish plants will have no way to make a living. They have asked the minister for some indication of support, up to $15 million, so that they can carry on in the present very difficult economic conditions in the fishing industry.

Can the minister advise the House whether a decision has yet been made with regard to assistance? If a decision has not been made, will it be made this week, and will the minister produce the $15 million to save these jobs, which is nothing in comparison to the hundreds of millions of dollars whacked out in central Canada to try to keep computer companies and the like going, that are now gone forever?

Hon. Roméo LeBlanc (Minister of Fisheries and Oceans): Madam Speaker, the problem the company in question has been facing goes back a number of months. It was only last week that we were approached with a proposal. We are now studying the proposal. I do not think the hon. member, who was a former minister of finance for a short time, would want me to put these funds forward before I have examined the facts and made sure that the proposal is one that I can present to cabinet successfully.

Mr. Crosbie: When will you make a decision?

● (1500)

GOVERNMENT ORDERS

[*Translation*]

THE CONSTITUTION

RESOLUTION RESPECTING CONSTITUTION ACT, 1981

The House resumed, from Tuesday, December 1, consideration of the amended motion of Mr. Chrétien:

THAT, WHEREAS in the past certain amendments to the Constitution of Canada have been made by the Parliament of the United Kingdom at the request and with the consent of Canada;

AND WHEREAS it is in accord with the status of Canada as an independent state that Canadians be able to amend their Constitution in Canada in all respects;

AND WHEREAS it is also desirable to provide in the Constitution of Canada for the recognition of certain fundamental rights and freedoms and to make other amendments to that Constitution;

A respectful address be presented to Her Majesty the Queen in the following words:

To the Queen's Most Excellent Majesty:
Most Gracious Sovereign:

We, Your Majesty's loyal subjects, the House of Commons of Canada in Parliament assembled, respectfully approach Your Majesty, requesting that you may graciously be pleased to cause to be laid before the Parliament of the United Kingdom a measure containing the recitals and clauses hereinafter set forth:

CONSIDÉRANT :

que le Parlement du Royaume-Uni a modifié à plusieurs reprises la Constitution du Canada à la demande et avec le consentement de celui-ci;

que, de par le statut d'État indépendant du Canada, il est légitime que les Canadiens aient tout pouvoir pour modifier leur Constitution au Canada;

qu'il est souhaitable d'inscrire dans la Constitution du Canada la reconnaissance de certains droits et libertés fondamentaux et d'y apporter d'autres modifications,

il est proposé que soit présentée respectueusement à Sa Majesté la Reine l'adresse dont la teneur suit :

A Sa Très Excellente Majesté la Reine,
Très Gracieuse Souveraine :

Nous, membres de la Chambre des communes du Canada réunis en Parlement, fidèles sujets de Votre Majesté, demandons respectueusement à Votre Très Gracieuse Majesté de bien vouloir faire déposer devant le Parlement du Royaume-Uni un projet de loi ainsi conçu :

ANNEXE A—SCHEDULE A

An Act to give effect to a request by the Senate and House of Commons of Canada

Whereas Canada has requested and consented to the enactment of an Act of the Parliament of the United Kingdom to give effect to the provisions hereinafter set forth and the Senate and the House of Commons of Canada in Parliament assembled have submitted an address to Her Majesty requesting that Her Majesty may graciously be pleased to cause a Bill to be laid before the Parliament of the United Kingdom for that purpose.

Be it therefore enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:

Constitution Act, 1981 enacted

1. The *Constitution Act, 1981* set out in Schedule B to this Act is hereby enacted for and shall have the force of law in Canada and shall come into force as provided in that Act.

Termination of power to legislate for Canada

2. No Act of the Parliament of the United Kingdom passed after the *Constitution Act, 1981* comes into force shall extend to Canada as part of its law.

French version

3. So far as it is not contained in Schedule B, the French version of this Act is set out in Schedule A to this Act and has the same authority in Canada as the English version thereof.

Short title

4. This Act may be cited as the *Canada Act*.

Loi donnant suite à une demande du Sénat et de la Chambre des communes du Canada

Sa Très Excellente Majesté la Reine, considérant :

qu'à la demande et avec le consentement du Canada, le Parlement du Royaume-Uni est invité à adopter une loi visant à donner effet aux dispositions énoncées ci-après et que le Sénat et la Chambre des communes du Canada réunis en Parlement ont présenté une adresse demandant à Sa Très Gracieuse Majesté de bien vouloir faire déposer devant le Parlement du Royaume-Uni un projet de loi à cette fin,

sur l'avis et du consentement des Lords spirituels et temporels et des Communes réunis en Parlement, et par l'autorité de celui-ci, édicte :

Adoption de la *Loi constitutionnelle de 1981*

1. La *Loi constitutionnelle de 1981*, énoncée à l'annexe B, est édictée pour le Canada et y a force de loi. Elle entre en vigueur conformément à ses dispositions.

Cessation du pouvoir de légiférer pour le Canada

2. Les lois adoptées par le Parlement du Royaume-Uni après l'entrée en vigueur de la *Loi constitutionnelle de 1981* ne font pas partie du droit du Canada.

Version française

3. La partie de la version française de la présente loi qui figure à l'annexe A a force de loi au Canada au même titre que la version anglaise correspondante.

Titre abrégé

4. Titre abrégé de la présente loi : *Loi sur le Canada*.

SCHEDULE B

CONSTITUTION ACT, 1981

PART I

CANADIAN CHARTER OF RIGHTS AND FREEDOMS

Whereas Canada is founded upon principles that recognize the supremacy of God and the rule of law:

Guarantee of Rights and Freedoms

Rights and freedoms in Canada

1. The *Canadian Charter of Rights and Freedoms* guarantees the rights and freedoms set out in it subject only to such reasonable limits prescribed by law as can be demonstrably justified in a free and democratic society.

Fundamental Freedoms

Fundamental freedoms

2. Everyone has the following fundamental freedoms:

(*a*) freedom of conscience and religion;

(*b*) freedom of thought, belief, opinion and expression, including freedom of the press and other media of communication;

(*c*) freedom of peaceful assembly; and

(*d*) freedom of association.

Democratic Rights

Democratic rights of citizens

3. Every citizen of Canada has the right to vote in an election of members of the House of Commons or of a legislative assembly and to be qualified for membership therein.

Maximum duration of legislative bodies

4. (1) No House of Commons and no legislative assembly shall continue for longer than five years from the date fixed for the return of the writs at a general election of its members.

Continuation in special circumstances

(2) In time of real or apprehended war, invasion or insurrection, a House of Commons may be continued by Parliament and a legislative assembly may be continued by the legislature beyond five years if such continuation is not opposed by the votes of more than one-third of the members of the House

ANNEXE B

LOI CONSTITUTIONNELLE DE 1981

PARTIE I

CHARTE CANADIENNE DES DROITS ET LIBERTÉS

Attendu que le Canada est fondé sur des principes qui reconnaissent la suprématie de Dieu et la primauté du droit :

Garantie des droits et libertés

Droits et libertés au Canada

1. La *Charte canadienne des droits et libertés* garantit les droits et libertés qui y sont énoncés. Ils ne peuvent être restreints que par une règle de droit, dans des limites qui soient raisonnables et dont la justification puisse se démontrer dans le cadre d'une société libre et démocratique.

Libertés fondamentales

Libertés fondamentales

2. Chacun a les libertés fondamentales suivantes :

a) liberté de conscience et de religion;

b) liberté de pensée, de croyance, d'opinion et d'expression, y compris la liberté de la presse et des autres moyens de communication;

c) liberté de réunion pacifique;

d) liberté d'association.

Droits démocratiques

Droits démocratiques des citoyens

3. Tout citoyen canadien a le droit de vote et est éligible aux élections législatives fédérales ou provinciales.

Mandat maximal des assemblées

4. (1) Le mandat maximal de la Chambre des communes et des assemblées législatives est de cinq ans à compter de la date fixée pour le retour des brefs relatifs aux élections générales correspondantes.

Prolongations spéciales

(2) Le mandat de la Chambre des communes ou celui d'une assemblée législative peut être prolongé respectivement par le Parlement ou par la législature en question au-delà de cinq ans en cas de guerre, d'invasion ou d'insurrection, réelles ou appréhendées, pourvu que cette prolongation ne fasse pas

of Commons or the legislative assembly, as the case may be.

l'objet d'une opposition exprimée par les voix de plus du tiers des députés de la Chambre des communes ou de l'assemblée législative.

Annual sitting of legislative bodies

5. There shall be a sitting of Parliament and of each legislature at least once every twelve months.

Séance annuelle

5. Le Parlement et les législatures tiennent une séance au moins une fois tous les douze mois.

Mobility Rights

Liberté de circulation et d'établissement

Mobility of citizens

6. (1) Every citizen of Canada has the right to enter, remain in and leave Canada.

Liberté de circulation

6. (1) Tout citoyen canadien a le droit de demeurer au Canada, d'y entrer ou d'en sortir.

Rights to move and gain livelihood

(2) Every citizen of Canada and every person who has the status of a permanent resident of Canada has the right

(*a*) to move to and take up residence in any province; and

(*b*) to pursue the gaining of a livelihood in any province.

Liberté d'établissement

(2) Tout citoyen canadien et toute personne ayant le statut de résident permanent au Canada ont le droit :

a) de se déplacer dans tout le pays et d'établir leur résidence dans toute province;

b) de gagner leur vie dans toute province.

Limitation

(3) The rights specified in subsection (2) are subject to

(*a*) any laws or practices of general application in force in a province other than those that discriminate among persons primarily on the basis of province of present or previous residence; and

(*b*) any laws providing for reasonable residency requirements as a qualification for the receipt of publicly provided social services.

Restriction

(3) Les droits mentionnés au paragraphe (2) sont subordonnés :

a) aux lois et usages d'application générale en vigueur dans une province donnée, s'ils n'établissent entre les personnes aucune distinction fondée principalement sur la province de résidence antérieure ou actuelle;

b) aux lois prévoyant de justes conditions de résidence en vue de l'obtention des services sociaux publics.

Affirmative action programs

(4) Subsections (2) and (3) do not preclude any law, program or activity that has as its object the amelioration in a province of conditions of individuals in that province who are socially or economically disadvantaged if the rate of employment in that province is below the rate of employment in Canada.

Programmes de promotion sociale

(4) Les paragraphes (2) et (3) n'ont pas pour objet d'interdire les lois, programmes ou activités destinés à améliorer, dans une province, la situation d'individus défavorisés socialement ou économiquement, si le taux d'emploi dans la province est inférieur à la moyenne nationale.

Legal Rights

Garanties juridiques

Life, liberty and security of person

7. Everyone has the right to life, liberty and security of the person and the right not to be deprived thereof except in accordance with the principles of fundamental justice.

Vie, liberté et sécurité

7. Chacun a droit à la vie, à la liberté et à la sécurité de sa personne; il ne peut être porté atteinte à ce droit qu'en conformité avec les principes de justice fondamentale.

Search or seizure

8. Everyone has the right to be secure against unreasonable search or seizure.

Fouilles, perquisitions ou saisies

8. Chacun a droit à la protection contre les fouilles, les perquisitions ou les saisies abusives.

Detention or imprisonment

9. Everyone has the right not to be arbitrarily detained or imprisoned.

Détention ou emprisonnement

9. Chacun a droit à la protection contre la détention ou l'emprisonnement arbitraires.

The Constitution

Arrest or detention

10. Everyone has the right on arrest or detention

(*a*) to be informed promptly of the reasons therefor;

(*b*) to retain and instruct counsel without delay and to be informed of that right; and

(*c*) to have the validity of the detention determined by way of *habeas corpus* and to be released if the detention is not lawful.

Proceedings in criminal and penal matters

11. Any person charged with an offence has the right

(*a*) to be informed without unreasonable delay of the specific offence;

(*b*) to be tried within a reasonable time;

(*c*) not to be compelled to be a witness in proceedings against that person in respect of the offence;

(*d*) to be presumed innocent until proven guilty according to law in a fair and public hearing by an independent and impartial tribunal;

(*e*) not to be denied reasonable bail without just cause;

(*f*) except in the case of an offence under military law tried before a military tribunal, to the benefit of trial by jury where the maximum punishment for the offence is imprisonment for five years or a more severe punishment;

(*g*) not to be found guilty on account of any act or omission unless, at the time of the act or omission, it constituted an offence under Canadian or international law or was criminal according to the general principles of law recognized by the community of nations;

(*h*) if finally acquitted of the offence, not to be tried for it again and, if finally found guilty and punished for the offence, not to be tried or punished for it again; and

(*i*) if found guilty of the offence and if the punishment for the offence has been varied between the time of commission and the time of sentencing, to the benefit of the lesser punishment.

Arrestation ou détention

10. Chacun a le droit, en cas d'arrestation ou de détention :

a) d'être informé dans les plus brefs délais des motifs de son arrestation ou de sa détention;

b) d'avoir recours sans délai à l'assistance d'un avocat et d'être informé de ce droit;

c) de faire contrôler, par *habeas corpus*, la légalité de sa détention et d'obtenir, le cas échéant, sa libération.

Affaires criminelles et pénales

11. Tout inculpé a le droit :

a) d'être informé sans délai anormal de l'infraction précise qu'on lui reproche;

b) d'être jugé dans un délai raisonnable;

c) de ne pas être contraint de témoigner contre lui-même dans toute poursuite intentée contre lui pour l'infraction qu'on lui reproche;

d) d'être présumé innocent tant qu'il n'est pas déclaré coupable, conformément à la loi, par un tribunal indépendant et impartial à l'issue d'un procès public et équitable;

e) de ne pas être privé sans juste cause d'une mise en liberté assortie d'un cautionnement raisonnable;

f) sauf s'il s'agit d'une infraction relevant de la justice militaire, de bénéficier d'un procès avec jury lorsque la peine maximale prévue pour l'infraction dont il est accusé est un emprisonnement de cinq ans ou une peine plus grave;

g) de ne pas être déclaré coupable en raison d'une action ou d'une omission qui, au moment où elle est survenue, ne constituait pas une infraction d'après le droit interne du Canada ou le droit international et n'avait pas de caractère criminel d'après les principes généraux de droit reconnus par l'ensemble des nations;

h) d'une part de ne pas être jugé de nouveau pour une infraction dont il a été définitivement acquitté, d'autre part de ne pas être jugé ni puni de nouveau pour une infraction dont il a été définitivement déclaré coupable et puni;

i) de bénéficier de la peine la moins sévère, lorsque la peine qui sanctionne l'infraction dont il est déclaré coupable est

modifiée entre le moment de la perpétration de l'infraction et celui de la sentence.

Treatment or punishment

12. Everyone has the right not to be subjected to any cruel and unusual treatment or punishment.

12. Chacun a droit à la protection contre tous traitements ou peines cruels et inusités.

Cruauté

Self-crimination

13. A witness who testifies in any proceedings has the right not to have any incriminating evidence so given used to incriminate that witness in any other proceedings, except in a prosecution for perjury or for the giving of contradictory evidence.

13. Chacun a droit à ce qu'aucun témoignage incriminant qu'il donne ne soit utilisé pour l'incriminer dans d'autres procédures, sauf lors de poursuites pour parjure ou pour témoignages contradictoires.

Témoignage incriminant

Interpreter

14. A party or witness in any proceedings who does not understand or speak the language in which the proceedings are conducted or who is deaf has the right to the assistance of an interpreter.

14. La partie ou le témoin qui ne peuvent suivre les procédures, soit parce qu'ils ne comprennent pas ou ne parlent pas la langue employée, soit parce qu'ils sont atteints de surdité, ont droit à l'assistance d'un interprète.

Interprète

Equality Rights

Droits à l'égalité

Equality before and under law and equal protection and benefit of law

15. (1) Every individual is equal before and under the law and has the right to the equal protection and equal benefit of the law without discrimination and, in particular, without discrimination based on race, national or ethnic origin, colour, religion, sex, age or mental or physical disability.

15. (1) La loi ne fait acception de personne et s'applique également à tous, et tous ont droit à la même protection et au même bénéfice de la loi, indépendamment de toute discrimination, notamment des discriminations fondées sur la race, l'origine nationale ou ethnique, la couleur, la religion, le sexe, l'âge ou les déficiences mentales ou physiques.

Égalité devant la loi, égalité de bénéfice et protection égale de la loi

Affirmative action programs

(2) Subsection (1) does not preclude any law, program or activity that has as its object the amelioration of conditions of disadvantaged individuals or groups including those that are disadvantaged because of race, national or ethnic origin, colour, religion, sex, age or mental or physical disability.

(2) Le paragraphe (1) n'a pas pour effet d'interdire les lois, programmes ou activités destinés à améliorer la situation d'individus ou de groupes défavorisés, notamment du fait de leur race, de leur origine nationale ou ethnique, de leur couleur, de leur religion, de leur sexe, de leur âge ou de leurs déficiences mentales ou physiques.

Programmes de promotion sociale

Official Languages of Canada

Langues officielles du Canada

Official languages of Canada

16. (1) English and French are the official languages of Canada and have equality of status and equal rights and privileges as to their use in all institutions of the Parliament and government of Canada.

16. (1) Le français et l'anglais sont les langues officielles du Canada; ils ont un statut et des droits et privilèges égaux quant à leur usage dans les institutions du Parlement et du gouvernement du Canada.

Langues officielles du Canada

Official languages of New Brunswick

(2) English and French are the official languages of New Brunswick and have equality of status and equal rights and privileges as to their use in all institutions of the

(2) Le français et l'anglais sont les langues officielles du Nouveau-Brunswick; ils ont un statut et des droits et privilèges égaux quant à leur usage dans les institutions de la Légis-

Langues officielles du Nouveau-Brunswick

legislature and government of New Brunswick.

Advancement of status and use

(3) Nothing in this Charter limits the authority of Parliament or a legislature to advance the equality of status or use of English and French.

Proceedings of Parliament

17. (1) Everyone has the right to use English or French in any debates and other proceedings of Parliament.

Proceedings of New Brunswick legislature

(2) Everyone has the right to use English or French in any debates and other proceedings of the legislature of New Brunswick.

Parliamentary statutes and records

18. (1) The statutes, records and journals of Parliament shall be printed and published in English and French and both language versions are equally authoritative.

New Brunswick statutes and records

(2) The statutes, records and journals of the legislature of New Brunswick shall be printed and published in English and French and both language versions are equally authoritative.

Proceedings in courts established by Parliament

19. (1) Either English or French may be used by any person in, or in any pleading in or process issuing from, any court established by Parliament.

Proceedings in New Brunswick courts

(2) Either English or French may be used by any person in, or in any pleading in or process issuing from, any court of New Brunswick.

Communications by public with federal institutions

20. (1) Any member of the public in Canada has the right to communicate with, and to receive available services from, any head or central office of an institution of the Parliament or government of Canada in English or French, and has the same right with respect to any other office of any such institution where

(*a*) there is a significant demand for communications with and services from that office in such language; or

lature et du gouvernement du Nouveau-Brunswick.

Progression vers l'égalité

(3) La présente charte ne limite pas le pouvoir du Parlement et des législatures de favoriser la progression vers l'égalité de statut ou d'usage du français et de l'anglais.

Travaux du Parlement

17. (1) Chacun a le droit d'employer le français ou l'anglais dans les débats et travaux du Parlement.

Travaux de la Législature du Nouveau-Brunswick

(2) Chacun a le droit d'employer le français ou l'anglais dans les débats et travaux de la Législature du Nouveau-Brunswick.

Documents parlementaires

18. (1) Les lois, les archives, les comptes rendus et les procès-verbaux du Parlement sont imprimés et publiés en français et en anglais, les deux versions des lois ayant également force de loi et celles des autres documents ayant même valeur.

Documents de la Législature du Nouveau-Brunswick

(2) Les lois, les archives, les comptes rendus et les procès-verbaux de la Législature du Nouveau-Brunswick sont imprimés et publiés en français et en anglais, les deux versions des lois ayant également force de loi et celles des autres documents ayant même valeur.

Procédures devant les tribunaux établis par le Parlement

19. (1) Chacun a le droit d'employer le français ou l'anglais dans toutes les affaires dont sont saisis les tribunaux établis par le Parlement et dans tous les actes de procédure qui en découlent.

Procédures devant les tribunaux du Nouveau-Brunswick

(2) Chacun a le droit d'employer le français ou l'anglais dans toutes les affaires dont sont saisis les tribunaux du Nouveau-Brunswick et dans tous les actes de procédure qui en découlent.

Communications entre les administrés et les institutions fédérales

20. (1) Le public a, au Canada, droit à l'emploi du français ou de l'anglais pour communiquer avec le siège ou l'administration centrale des institutions du Parlement ou du gouvernement du Canada ou pour en recevoir les services; il a le même droit à l'égard de tout autre bureau de ces institutions là où, selon le cas :

a) l'emploi du français ou de l'anglais fait l'objet d'une demande importante;

b) l'emploi du français et de l'anglais se justifie par la vocation du bureau.

(*b*) due to the nature of the office, it is reasonable that communications with and services from that office be available in both English and French.

Communications by public with New Brunswick institutions

(2) Any member of the public in New Brunswick has the right to communicate with, and to receive available services from, any office of an institution of the legislature or government of New Brunswick in English or French.

(2) Le public a, au Nouveau-Brunswick, droit à l'emploi du français ou de l'anglais pour communiquer avec tout bureau des institutions de la législature ou du gouvernement ou pour en recevoir les services.

Communications entre les administrés et les institutions du Nouveau-Brunswick

Continuation of existing constitutional provisions

21. Nothing in sections 16 to 20 abrogates or derogates from any right, privilege or obligation with respect to the English and French languages, or either of them, that exists or is continued by virtue of any other provision of the Constitution of Canada.

21. Les articles 16 à 20 n'ont pas pour effet, en ce qui a trait à la langue française ou anglaise ou à ces deux langues, de porter atteinte aux droits, privilèges ou obligations qui existent ou sont maintenus aux termes d'une autre disposition de la Constitution du Canada.

Maintien en vigueur de certaines dispositions

Rights and privileges preserved

22. Nothing in sections 16 to 20 abrogates or derogates from any legal or customary right or privilege acquired or enjoyed either before or after the coming into force of this Charter with respect to any language that is not English or French.

22. Les articles 16 à 20 n'ont pas pour effet de porter atteinte aux droits et privilèges, antérieurs ou postérieurs à l'entrée en vigueur de la présente charte et découlant de la loi ou de la coutume, des langues autres que le français ou l'anglais.

Droits préservés

Minority Language Educational Rights

Droits à l'instruction dans la langue de la minorité

Language of instruction

23. (1) Citizens of Canada

(*a*) whose first language learned and still understood is that of the English or French linguistic minority population of the province in which they reside, or

(*b*) who have received their primary school instruction in Canada in English or French and reside in a province where the language in which they received that instruction is the language of the English or French linguistic minority population of the province,

have the right to have their children receive primary and secondary school instruction in that language in that province.

23. (1) Les citoyens canadiens :

a) dont la première langue apprise et encore comprise est celle de la minorité francophone ou anglophone de la province où ils résident,

b) qui ont reçu leur instruction, au niveau primaire, en français ou en anglais au Canada et qui résident dans une province où la langue dans laquelle ils ont reçu cette instruction est celle de la minorité francophone ou anglophone de la province,

ont, dans l'un ou l'autre cas, le droit d'y faire instruire leurs enfants, aux niveaux primaire et secondaire, dans cette langue.

Langue d'instruction

Continuity of language instruction

(2) Citizens of Canada of whom any child has received or is receiving primary or secondary school instruction in English or French in Canada, have the right to have all their children receive primary and secondary school instruction in the same language.

(2) Les citoyens canadiens dont un enfant a reçu ou reçoit son instruction, au niveau primaire ou secondaire, en français ou en anglais au Canada ont le droit de faire instruire tous leurs enfants, aux niveaux primaire et secondaire, dans la langue de cette instruction.

Continuité d'emploi de la langue d'instruction

The Constitution

Application where numbers warrant

(3) The right of citizens of Canada under subsections (1) and (2) to have their children receive primary and secondary school instruction in the language of the English or French linguistic minority population of a province

(*a*) applies wherever in the province the number of children of citizens who have such a right is sufficient to warrant the provision to them out of public funds of minority language instruction; and

(*b*) includes, where the number of those children so warrants, the right to have them receive that instruction in minority language educational facilities provided out of public funds.

Justification par le nombre

(3) Le droit reconnu aux citoyens canadiens par les paragraphes (1) et (2) de faire instruire leurs enfants, aux niveaux primaire et secondaire, dans la langue de la minorité francophone ou anglophone d'une province :

a) s'exerce partout dans la province où le nombre des enfants des citoyens qui ont ce droit est suffisant pour justifier à leur endroit la prestation, sur les fonds publics, de l'instruction dans la langue de la minorité;

b) comprend, lorsque le nombre de ces enfants le justifie, le droit de les faire instruire dans des établissements d'enseignement de la minorité linguistique financés sur les fonds publics.

Enforcement

Recours

Enforcement of guaranteed rights and freedoms

24. (1) Anyone whose rights or freedoms, as guaranteed by this Charter, have been infringed or denied may apply to a court of competent jurisdiction to obtain such remedy as the court considers appropriate and just in the circumstances.

Recours en cas d'atteinte aux droits et libertés

24. (1) Toute personne, victime de violation ou de négation des droits ou libertés qui lui sont garantis par la présente charte, peut s'adresser à un tribunal compétent pour obtenir la réparation que le tribunal estime convenable et juste eu égard aux circonstances.

Exclusion of evidence bringing administration of justice into disrepute

(2) Where, in proceedings under subsection (1), a court concludes that evidence was obtained in a manner that infringed or denied any rights or freedoms guaranteed by this Charter, the evidence shall be excluded if it is established that, having regard to all the circumstances, the admission of it in the proceedings would bring the administration of justice into disrepute.

Irrecevabilité d'éléments de preuve qui risqueraient de déconsidérer l'administration de la justice

(2) Lorsque, dans une instance visée au paragraphe (1), le tribunal a conclu que des éléments de preuve ont été obtenus dans des conditions qui portent atteinte aux droits ou libertés garantis par la présente charte, ces éléments de preuve sont écartés s'il est établi, eu égard aux circonstances, que leur utilisation est susceptible de déconsidérer l'administration de la justice.

General

Dispositions générales

Aboriginal rights and freedoms not affected by Charter

25. The guarantee in this Charter of certain rights and freedoms shall not be construed so as to abrogate or derogate from any aboriginal, treaty or other rights or freedoms that pertain to the aboriginal peoples of Canada including

(*a*) any rights or freedoms that have been recognized by the Royal Proclamation of October 7, 1763; and

(*b*) any rights or freedoms that may be acquired by the aboriginal peoples of Canada by way of land claims settlement.

Maintien des droits et libertés des autochtones

25. Le fait que la présente charte garantit certains droits et libertés ne porte pas atteinte aux droits ou libertés — ancestraux, issus de traités ou autres — des peuples autochtones du Canada, notamment :

a) aux droits ou libertés reconnus par la Proclamation royale du 7 octobre 1763;

b) aux droits ou libertés acquis par règlement de revendications territoriales.

Other rights and freedoms not affected by Charter

26. The guarantee in this Charter of certain rights and freedoms shall not be con-

Maintien des autres droits et libertés

26. Le fait que la présente charte garantit certains droits et libertés ne constitue pas

strued as denying the existence of any other rights or freedoms that exist in Canada.

une négation des autres droits ou libertés qui existent au Canada.

Multicultural heritage

27. This Charter shall be interpreted in a manner consistent with the preservation and enhancement of the multicultural heritage of Canadians.

27. Toute interprétation de la présente charte doit concorder avec l'objectif de promouvoir le maintien et la valorisation du patrimoine multiculturel des Canadiens.

Maintien du patrimoine culturel

Rights guaranteed equally to both sexes

28. Notwithstanding anything in this Charter, the rights and freedoms referred to in it are guaranteed equally to male and female persons.

28. Indépendamment des autres dispositions de la présente charte, les droits et libertés qui y sont mentionnés sont garantis également aux personnes des deux sexes.

Égalité de garantie des droits pour les deux sexes

Rights respecting certain schools preserved

29. Nothing in this Charter abrogates or derogates from any rights or privileges guaranteed by or under the Constitution of Canada in respect of denominational, separate or dissentient schools.

29. Les dispositions de la présente charte ne portent pas atteinte aux droits ou privilèges garantis en vertu de la Constitution du Canada concernant les écoles séparées et autres écoles confessionnelles.

Maintien des droits relatifs à certaines écoles

Application to territories and territorial authorities

30. A reference in this Charter to a province or to the legislative assembly or legislature of a province shall be deemed to include a reference to the Yukon Territory and the Northwest Territories, or to the appropriate legislative authority thereof, as the case may be.

30. Dans la présente charte, les dispositions qui visent les provinces, leur législature ou leur assemblée législative visent également le territoire du Yukon, les territoires du Nord-Ouest ou leurs autorités législatives compétentes.

Application aux territoires

Legislative powers not extended

31. Nothing in this Charter extends the legislative powers of any body or authority.

31. La présente charte n'élargit pas les compétences législatives de quelque organisme ou autorité que ce soit.

Non-élargissement des compétences législatives

Application of Charter

Application de la charte

Application of Charter

32. (1) This Charter applies

(*a*) to the Parliament and government of Canada in respect of all matters within the authority of Parliament including all matters relating to the Yukon Territory and Northwest Territories; and

(*b*) to the legislature and government of each province in respect of all matters within the authority of the legislature of each province.

32. (1) La présente charte s'applique :

a) au Parlement et au gouvernement du Canada, pour tous les domaines relevant du Parlement, y compris ceux qui concernent le territoire du Yukon et les territoires du Nord-Ouest;

b) à la législature et au gouvernement de chaque province, pour tous les domaines relevant de cette législature.

Application de la charte

Exception

(2) Notwithstanding subsection (1), section 15 shall not have effect until three years after this section comes into force.

(2) Par dérogation au paragraphe (1), l'article 15 n'a d'effet que trois ans après l'entrée en vigueur du présent article.

Restriction

Exception where express declaration

33. (1) Parliament or the legislature of a province may expressly declare in an Act of Parliament or of the legislature, as the case may be, that the Act or a provision thereof shall operate notwithstanding a provision included in section 2 or sections 7 to 15 of this Charter.

33. (1) Le Parlement ou la législature d'une province peut adopter une loi où il est expressément déclaré que celle-ci ou une de ses dispositions a effet indépendamment d'une disposition donnée de l'article 2 ou des articles 7 à 15 de la présente charte.

Dérogation par déclaration expresse

Operation of exception

(2) An Act or a provision of an Act in respect of which a declaration made under this section is in effect shall have such operation as it would have but for the provision of this Charter referred to in the declaration.

(2) La loi ou la disposition qui fait l'objet d'une déclaration conforme au présent article et en vigueur a l'effet qu'elle aurait sauf la disposition en cause de la charte.

Effet de la dérogation

Five year limitation

(3) A declaration made under subsection (1) shall cease to have effect five years after it comes into force or on such earlier date as may be specified in the declaration.

(3) La déclaration visée au paragraphe (1) cesse d'avoir effet à la date qui y est précisée ou, au plus tard, cinq ans après son entrée en vigueur.

Durée de validité

Re-enactment

(4) Parliament or a legislature of a province may re-enact a declaration made under subsection (1).

(4) Le Parlement ou une législature peut adopter de nouveau une déclaration visée au paragraphe (1).

Nouvelle adoption

Five year limitation

(5) Subsection (3) applies in respect of a re-enactment made under subsection (4).

(5) Le paragraphe (3) s'applique à toute déclaration adoptée sous le régime du paragraphe (4).

Durée de validité

Citation

Titre

Citation

34. This Part may be cited as the *Canadian Charter of Rights and Freedoms*.

34. Titre de la présente partie : *Charte canadienne des droits et libertés*.

Titre

PART II

RIGHTS OF THE ABORIGINAL PEOPLES OF CANADA

PARTIE II

DROITS DES PEUPLES AUTOCHTONES DU CANADA

Recognition of existing aboriginal and treaty rights

35. (1) The existing aboriginal and treaty rights of the aboriginal peoples of Canada are hereby recognized and affirmed.

35. (1) Les droits existants — ancestraux ou issus de traités — des peuples autochtones du Canada sont reconnus et confirmés.

Confirmation des droits existants des peuples autochtones

Definition of "aboriginal peoples of Canada"

(2) In this Act, "aboriginal peoples of Canada" includes the Indian, Inuit and Métis peoples of Canada.

(2) Dans la présente loi, «peuples autochtones du Canada» s'entend notamment des Indiens, des Inuit et des Métis du Canada.

Définition de «peuples autochtones du Canada»

PART III

EQUALIZATION AND REGIONAL DISPARITIES

PARTIE III

PÉRÉQUATION ET INÉGALITÉS RÉGIONALES

Commitment to promote equal opportunities

36. (1) Without altering the legislative authority of Parliament or of the provincial legislatures, or the rights of any of them with respect to the exercise of their legislative authority, Parliament and the legislatures, together with the government of Canada and the provincial governments, are committed to

(*a*) promoting equal opportunities for the well-being of Canadians;

(*b*) furthering economic development to reduce disparity in opportunities; and

(*c*) providing essential public services of reasonable quality to all Canadians.

36. (1) Sous réserve des compétences législatives du Parlement et des législatures et de leur droit de les exercer, le Parlement et les législatures, ainsi que les gouvernements fédéral et provinciaux, s'engagent à :

a) promouvoir l'égalité des chances de tous les Canadiens dans la recherche de leur bien-être;

b) favoriser le développement économique pour réduire l'inégalité des chances;

c) fournir à tous les Canadiens, à un niveau de qualité acceptable, les services publics essentiels.

Engagements relatifs à l'égalité des chances

Commitment respecting public services

(2) Parliament and the government of Canada are committed to the principle of making equalization payments to ensure that provincial governments have sufficient revenues to provide reasonably comparable levels of public services at reasonably comparable levels of taxation.

Engagement relatif aux services publics

(2) Le Parlement et le gouvernement du Canada prennent l'engagement de principe de faire des paiements de péréquation propres à donner aux gouvernements provinciaux des revenus suffisants pour les mettre en mesure d'assurer les services publics à un niveau de qualité et de fiscalité sensiblement comparables.

PART IV

CONSTITUTIONAL CONFERENCE

PARTIE IV

CONFÉRENCE CONSTITUTIONNELLE

Constitutional conference

37. (1) A constitutional conference composed of the Prime Minister of Canada and the first ministers of the provinces shall be convened by the Prime Minister of Canada within one year after this Part comes into force.

Conférence constitutionnelle

37. (1) Dans l'année suivant l'entrée en vigueur de la présente partie, le premier ministre du Canada convoque une conférence constitutionnelle réunissant les premiers ministres provinciaux et lui-même.

Participation of aboriginal peoples

(2) The conference convened under subsection (1) shall have included in its agenda an item respecting constitutional matters that directly affect the aboriginal peoples of Canada, including the identification and definition of the rights of those peoples to be included in the Constitution of Canada, and the Prime Minister of Canada shall invite representatives of those peoples to participate in the discussions on that item.

(2) Sont placées à l'ordre du jour de la conférence visée au paragraphe (1) les questions constitutionnelles qui intéressent directement les peuples autochtones du Canada, notamment la détermination et la définition des droits de ces peuples à inscrire dans la Constitution du Canada. Le premier ministre du Canada invite leurs représentants à participer aux travaux relatifs à ces questions.

Participation des peuples autochtones

Participation of territories

(3) The Prime Minister of Canada shall invite elected representatives of the governments of the Yukon Territory and the Northwest Territories to participate in the discussions on any item on the agenda of the conference convened under subsection (1) that, in the opinion of the Prime Minister, directly affects the Yukon Territory and the Northwest Territories.

(3) Le premier ministre du Canada invite des représentants élus des gouvernements du territoire du Yukon et des territoires du Nord-Ouest à participer aux travaux relatifs à toute question placée à l'ordre du jour de la conférence visée au paragraphe (1) et qui, selon lui, intéresse directement le territoire du Yukon et les territoires du Nord-Ouest.

Participation des territoires

PART V

PROCEDURE FOR AMENDING CONSTITUTION OF CANADA

PARTIE V

PROCÉDURE DE MODIFICATION DE LA CONSTITUTION DU CANADA

General procedure for amending Constitution of Canada

38. (1) An amendment to the Constitution of Canada may be made by proclamation issued by the Governor General under the Great Seal of Canada where so authorized by

(*a*) resolutions of the Senate and House of Commons; and

(*b*) resolutions of the legislative assemblies of at least two-thirds of the provinces

Procédure normale de modification

38. (1) La Constitution du Canada peut être modifiée par proclamation du gouverneur général sous le grand sceau du Canada, autorisée à la fois :

a) par des résolutions du Sénat et de la Chambre des communes;

b) par des résolutions des assemblées législatives d'au moins deux tiers des provinces dont la population confondue repré-

that have, in the aggregate, according to the then latest general census, at least fifty per cent of the population of all the provinces.

sente, selon le recensement général le plus récent à l'époque, au moins cinquante pour cent de la population de toutes les provinces.

Majority of members

(2) An amendment made under subsection (1) that derogates from the legislative powers, the proprietary rights or any other rights or privileges of the legislature or government of a province shall require a resolution supported by a majority of the members of each of the Senate, the House of Commons and the legislative assemblies required under subsection (1).

(2) Une modification faite conformément au paragraphe (1) mais dérogatoire à la compétence législative, aux droits de propriété ou à tous autres droits ou privilèges d'une législature ou d'un gouvernement provincial exige une résolution adoptée à la majorité des sénateurs, des députés fédéraux et des députés de chacune des assemblées législatives du nombre requis de provinces. Majorité simple

Expression of dissent

(3) An amendment referred to in subsection (2) shall not have effect in a province the legislative assembly of which has expressed its dissent thereto by resolution supported by a majority of its members prior to the issue of the proclamation to which the amendment relates unless that legislative assembly, subsequently, by resolution supported by a majority of its members, revokes its dissent and authorizes the amendment.

(3) La modification visée au paragraphe (2) est sans effet dans une province dont l'assemblée législative a, avant la prise de la proclamation, exprimé son désaccord par une résolution adoptée à la majorité des députés, sauf si cette assemblée, par résolution également adoptée à la majorité, revient sur son désaccord et autorise la modification. Désaccord

Revocation of dissent

(4) A resolution of dissent made for the purposes of subsection (3) may be revoked at any time before or after the issue of the proclamation to which it relates.

(4) La résolution de désaccord visée au paragraphe (3) peut être révoquée à tout moment, indépendamment de la date de la proclamation à laquelle elle se rapporte. Levée du désaccord

Restriction on proclamation

39. (1) A proclamation shall not be issued under subsection 38(1) before the expiration of one year from the adoption of the resolution initiating the amendment procedure thereunder, unless the legislative assembly of each province has previously adopted a resolution of assent or dissent.

39. (1) La proclamation visée au paragraphe 38(1) ne peut être prise dans l'année suivant l'adoption de la résolution à l'origine de la procédure de modification que si l'assemblée législative de chaque province a préalablement adopté une résolution d'agrément ou de désaccord. Restriction

Idem

(2) A proclamation shall not be issued under subsection 38(1) after the expiration of three years from the adoption of the resolution initiating the amendment procedure thereunder.

(2) La proclamation visée au paragraphe 38(1) ne peut être prise que dans les trois ans suivant l'adoption de la résolution à l'origine de la procédure de modification. Idem

Compensation

40. Where an amendment is made under subsection 38(1) that transfers provincial legislative powers relating to education or other cultural matters from provincial legislatures to Parliament, Canada shall provide reasonable compensation to any province to which the amendment does not apply.

40. Le Canada fournit une juste compensation aux provinces auxquelles ne s'applique pas une modification faite conformément au paragraphe 38(1) et relative, en matière d'éducation ou dans d'autres domaines culturels, à un transfert de compétences législatives provinciales au Parlement. Compensation

Amendment by unanimous consent

41. An amendment to the Constitution of Canada in relation to the following matters

41. Toute modification de la Constitution du Canada portant sur les questions suivan- Consentement unanime

may be made by proclamation issued by the Governor General under the Great Seal of Canada only where authorized by resolutions of the Senate and House of Commons and of the legislative assembly of each province:

(*a*) the office of the Queen, the Governor General and the Lieutenant Governor of a province;

(*b*) the right of a province to a number of members in the House of Commons not less than the number of Senators by which the province is entitled to be represented at the time this Part comes into force;

(*c*) subject to section 43, the use of the English or the French language;

(*d*) the composition of the Supreme Court of Canada; and

(*e*) an amendment to this Part.

tes se fait par proclamation du gouverneur général sous le grand sceau du Canada, autorisée par des résolutions du Sénat, de la Chambre des communes et de l'assemblée législative de chaque province :

a) la charge de Reine, celle de gouverneur général et celle de lieutenant-gouverneur;

b) le droit d'une province d'avoir à la Chambre des communes un nombre de députés au moins égal à celui des sénateurs par lesquels elle est habilitée à être représentée lors de l'entrée en vigueur de la présente partie;

c) sous réserve de l'article 43, l'usage du français ou de l'anglais;

d) la composition de la Cour suprême du Canada;

e) la modification de la présente partie.

Amendment by general procedure

42. (1) An amendment to the Constitution of Canada in relation to the following matters may be made only in accordance with subsection 38(1):

(*a*) the principle of proportionate representation of the provinces in the House of Commons prescribed by the Constitution of Canada;

(*b*) the powers of the Senate and the method of selecting Senators;

(*c*) the number of members by which a province is entitled to be represented in the Senate and the residence qualifications of Senators;

(*d*) subject to paragraph 41(*d*), the Supreme Court of Canada;

(*e*) the extension of existing provinces into the territories; and

(*f*) notwithstanding any other law or practice, the establishment of new provinces.

Procédure normale de modification

42. (1) Toute modification de la Constitution du Canada portant sur les questions suivantes se fait conformément au paragraphe 38(1) :

a) le principe de la représentation proportionnelle des provinces à la Chambre des communes prévu par la Constitution du Canada;

b) les pouvoirs du Sénat et le mode de sélection des sénateurs;

c) le nombre des sénateurs par lesquels une province est habilitée à être représentée et les conditions de résidence qu'ils doivent remplir;

d) sous réserve de l'alinéa 41*d*), la Cour suprême du Canada;

e) le rattachement aux provinces existantes de tout ou partie des territoires;

f) par dérogation à toute autre loi ou usage, la création de provinces.

Exception

(2) Subsections 38(2) to (4) do not apply in respect of amendments in relation to matters referred to in subsection (1).

Exception

(2) Les paragraphes 38(2) à (4) ne s'appliquent pas aux questions mentionnées au paragraphe (1).

Amendment of provisions relating to some but not all provinces

43. An amendment to the Constitution of Canada in relation to any provision that applies to one or more, but not all, provinces, including

(*a*) any alteration to boundaries between provinces, and

Modification à l'égard de certaines provinces

43. Les dispositions de la Constitution du Canada applicables à certaines provinces seulement ne peuvent être modifiées que par proclamation du gouverneur général sous le grand sceau du Canada, autorisée par des résolutions du Sénat, de la Chambre des

(*b*) any amendment to any provision that relates to the use of the English or the French language within a province,

may be made by proclamation issued by the Governor General under the Great Seal of Canada only where so authorized by resolutions of the Senate and House of Commons and of the legislative assembly of each province to which the amendment applies.

communes et de l'assemblée législative de chaque province concernée. Le présent article s'applique notamment :

a) aux changements du tracé des frontières interprovinciales;

b) aux modifications des dispositions relatives à l'usage du français ou de l'anglais dans une province.

Amendments by Parliament

44. Subject to sections 41 and 42, Parliament may exclusively make laws amending the Constitution of Canada in relation to the executive government of Canada or the Senate and House of Commons.

44. Sous réserve des articles 41 et 42, le Parlement a compétence exclusive pour modifier les dispositions de la Constitution du Canada relatives au pouvoir exécutif fédéral, au Sénat ou à la Chambre des communes.

Modification par le Parlement

Amendments by provincial legislatures

45. Subject to section 41, the legislature of each province may exclusively make laws amending the constitution of the province.

45. Sous réserve de l'article 41, une législature a compétence exclusive pour modifier la constitution de sa province.

Modification par les législatures

Initiation of amendment procedures

46. (1) The procedures for amendment under sections 38, 41, 42 and 43 may be initiated either by the Senate or the House of Commons or by the legislative assembly of a province.

46. (1) L'initiative des procédures de modification visées aux articles 38, 41, 42 et 43 appartient au Sénat, à la Chambre des communes ou à une assemblée législative.

Initiative des procédures

Revocation of authorization

(2) A resolution of assent made for the purposes of this Part may be revoked at any time before the issue of a proclamation authorized by it.

(2) Une résolution d'agrément adoptée dans le cadre de la présente partie peut être révoquée à tout moment avant la date de la proclamation qu'elle autorise.

Possibilité de révocation

Amendments without Senate resolution

47. (1) An amendment to the Constitution of Canada made by proclamation under section 38, 41, 42 or 43 may be made without a resolution of the Senate authorizing the issue of the proclamation if, within one hundred and eighty days after the adoption by the House of Commons of a resolution authorizing its issue, the Senate has not adopted such a resolution and if, at any time after the expiration of that period, the House of Commons again adopts the resolution.

47. (1) Dans les cas visés à l'article 38, 41, 42 ou 43, il peut être passé outre au défaut d'autorisation du Sénat si celui-ci n'a pas adopté de résolution dans un délai de cent quatre-vingts jours suivant l'adoption de celle de la Chambre des communes et si cette dernière, après l'expiration du délai, adopte une nouvelle résolution dans le même sens.

Modification sans résolution du Sénat

Computation of period

(2) Any period when Parliament is prorogued or dissolved shall not be counted in computing the one hundred and eighty day period referred to in subsection (1).

(2) Dans la computation du délai visé au paragraphe (1), ne sont pas comptées les périodes pendant lesquelles le Parlement est prorogé ou dissous.

Computation du délai

Advice to issue proclamation

48. The Queen's Privy Council for Canada shall advise the Governor General to issue a proclamation under this Part forthwith on the adoption of the resolutions

48. Le Conseil privé de la Reine pour le Canada demande au gouverneur général de prendre, conformément à la présente partie, une proclamation dès l'adoption des résolu-

Demande de proclamation

required for an amendment made by proclamation under this Part.

tions prévues par cette partie pour une modification par proclamation.

Constitutional conference

49. A constitutional conference composed of the Prime Minister of Canada and the first ministers of the provinces shall be convened by the Prime Minister of Canada within fifteen years after this Part comes into force to review the provisions of this Part.

49. Dans les quinze ans suivant l'entrée en vigueur de la présente partie, le premier ministre du Canada convoque une conférence constitutionnelle réunissant les premiers ministres provinciaux et lui-même, en vue du réexamen des dispositions de cette partie.

Conférence constitutionnelle

PART VI

AMENDMENT TO THE CONSTITUTION ACT, 1867

PARTIE VI

MODIFICATION DE LA LOI CONSTITUTIONNELLE DE 1867

Amendment to *Constitution Act, 1867*

50. The *Constitution Act, 1867* (formerly named the *British North America Act, 1867*) is amended by adding thereto, immediately after section 92 thereof, the following heading and section:

50. La *Loi constitutionnelle de 1867* (antérieurement désignée sous le titre : *Acte de l'Amérique du Nord britannique, 1867*) est modifiée par insertion, après l'article 92, de la rubrique et de l'article suivants :

Modification de la *Loi constitutionnelle de 1867*

"*Non-Renewable Natural Resources, Forestry Resources and Electrical Energy*

«*Ressources naturelles non renouvelables, ressources forestières et énergie électrique*

Laws respecting non-renewable natural resources, forestry resources and electrical energy

92A. (1) In each province, the legislature may exclusively make laws in relation to

(*a*) exploration for non-renewable natural resources in the province;

(*b*) development, conservation and management of non-renewable natural resources and forestry resources in the province, including laws in relation to the rate of primary production therefrom; and

(*c*) development, conservation and management of sites and facilities in the province for the generation and production of electrical energy.

92A. (1) La législature de chaque province a compétence exclusive pour légiférer dans les domaines suivants :

a) prospection des ressources naturelles non renouvelables de la province;

b) exploitation, conservation et gestion des ressources naturelles non renouvelables et des ressources forestières de la province, y compris leur rythme de production primaire;

c) aménagement, conservation et gestion des emplacements et des installations de la province destinés à la production d'énergie électrique.

Compétence provinciale

Export from provinces of resources

(2) In each province, the legislature may make laws in relation to the export from the province to another part of Canada of the primary production from non-renewable natural resources and forestry resources in the province and the production from facilities in the province for the generation of electrical energy, but such laws may not authorize or provide for discrimination in prices or in supplies exported to another part of Canada.

(2) La législature de chaque province a compétence pour légiférer en ce qui concerne l'exportation, hors de la province, à destination d'une autre partie du Canada, de la production primaire tirée des ressources naturelles non renouvelables et des ressources forestières de la province, ainsi que de la production d'énergie électrique de la province, sous réserve de ne pas adopter de lois autorisant ou prévoyant des disparités de prix ou des disparités dans les exportations destinées à une autre partie du Canada.

Exportation hors des provinces

The Constitution

Authority of Parliament

(3) Nothing in subsection (2) derogates from the authority of Parliament to enact laws in relation to the matters referred to in that subsection and, where such a law of Parliament and a law of a province conflict, the law of Parliament prevails to the extent of the conflict.

Pouvoir du Parlement

(3) Le paragraphe (2) ne porte pas atteinte au pouvoir du Parlement de légiférer dans les domaines visés à ce paragraphe, les dispositions d'une loi du Parlement adoptée dans ces domaines l'emportant sur les dispositions incompatibles d'une loi provinciale.

Taxation of resources

(4) In each province, the legislature may make laws in relation to the raising of money by any mode or system of taxation in respect of

(*a*) non-renewable natural resources and forestry resources in the province and the primary production therefrom, and

(*b*) sites and facilities in the province for the generation of electrical energy and the production therefrom,

whether or not such production is exported in whole or in part from the province, but such laws may not authorize or provide for taxation that differentiates between production exported to another part of Canada and production not exported from the province.

Taxation des ressources

(4) La législature de chaque province a compétence pour prélever des sommes d'argent par tout mode ou système de taxation :

a) des ressources naturelles non renouvelables et des ressources forestières de la province, ainsi que de la production primaire qui en est tirée;

b) des emplacements et des installations de la province destinés à la production d'énergie électrique, ainsi que de cette production même.

Cette compétence peut s'exercer indépendamment du fait que la production en cause soit ou non, en totalité ou en partie, exportée hors de la province, mais les lois adoptées dans ces domaines ne peuvent autoriser ou prévoir une taxation qui établisse une distinction entre la production exportée à destination d'une autre partie du Canada et la production non exportée hors de la province.

"Primary production"

(5) The expression "primary production" has the meaning assigned by the Sixth Schedule.

«Production primaire»

(5) L'expression «production primaire» a le sens qui lui est donné dans la sixième annexe.

Existing powers or rights

(6) Nothing in subsections (1) to (5) derogates from any powers or rights that a legislature or government of a province had immediately before the coming into force of this section."

Pouvoirs ou droits existants

(6) Les paragraphes (1) à (5) ne portent pas atteinte aux pouvoirs ou droits détenus par la législature ou le gouvernement d'une province lors de l'entrée en vigueur du présent article.»

Idem

51. The said Act is further amended by adding thereto the following Schedule:

Idem

51. Ladite loi est en outre modifiée par adjonction de l'annexe suivante :

"THE SIXTH SCHEDULE

Primary Production from Non-Renewable Natural Resources and Forestry Resources

1. For the purposes of section 92A of this Act,

«SIXIÈME ANNEXE

Production primaire tirée des ressources naturelles non renouvelables et des ressources forestières

1. Pour l'application de l'article 92A :

(*a*) production from a non-renewable natural resource is primary production therefrom if

(i) it is in the form in which it exists upon its recovery or severance from its natural state, or

(ii) it is a product resulting from processing or refining the resource, and is not a manufactured product or a product resulting from refining crude oil, refining upgraded heavy crude oil, refining gases or liquids derived from coal or refining a synthetic equivalent of crude oil; and

(*b*) production from a forestry resource is primary production therefrom if it consists of sawlogs, poles, lumber, wood chips, sawdust or any other primary wood product, or wood pulp, and is not a product manufactured from wood."

a) on entend par production primaire tirée d'une ressource naturelle non renouvelable :

(i) soit le produit qui se présente sous la même forme que lors de son extraction du milieu naturel,

(ii) soit le produit non manufacturé de la transformation, du raffinage ou de l'affinage d'une ressource, à l'exception du produit du raffinage du pétrole brut, du raffinage du pétrole brut lourd amélioré, du raffinage des gaz ou des liquides dérivés du charbon ou du raffinage d'un équivalent synthétique du pétrole brut;

b) on entend par production primaire tirée d'une ressource forestière la production constituée de billots, de poteaux, de bois d'œuvre, de copeaux, de sciure ou d'autre produit primaire du bois, ou de pâte de bois, à l'exception d'un produit manufacturé en bois.»

PART VII

GENERAL

Primacy of Constitution of Canada

52. (1) The Constitution of Canada is the supreme law of Canada, and any law that is inconsistent with the provisions of the Constitution is, to the extent of the inconsistency, of no force or effect.

Constitution of Canada

(2) The Constitution of Canada includes

(*a*) the *Canada Act*, including this Act;

(*b*) the Acts and orders referred to in Schedule I; and

(*c*) any amendment to any Act or order referred to in paragraph (*a*) or (*b*).

Amendments to Constitution of Canada

(3) Amendments to the Constitution of Canada shall be made only in accordance with the authority contained in the Constitution of Canada.

Repeals and new names

53. (1) The enactments referred to in Column I of Schedule I are hereby repealed or amended to the extent indicated in Column II thereof and, unless repealed, shall continue as law in Canada under the names set out in Column III thereof.

PARTIE VII

DISPOSITIONS GÉNÉRALES

Primauté de la Constitution du Canada

52. (1) La Constitution du Canada est la loi suprême du Canada; elle rend inopérantes les dispositions incompatibles de toute autre règle de droit.

Constitution du Canada

(2) La Constitution du Canada comprend :

a) la *Loi sur le Canada*, y compris la présente loi;

b) les textes législatifs et les décrets figurant à l'annexe I;

c) les modifications des textes législatifs et des décrets mentionnés aux alinéas *a*) ou *b*).

Modification

(3) La Constitution du Canada ne peut être modifiée que conformément aux pouvoirs conférés par elle.

Abrogation et nouveaux titres

53. (1) Les textes législatifs et les décrets énumérés à la colonne I de l'annexe I sont abrogés ou modifiés dans la mesure indiquée à la colonne II. Sauf abrogation, ils restent en vigueur en tant que lois du Canada sous les titres mentionnés à la colonne III.

Consequential amendments

(2) Every enactment, except the *Canada Act*, that refers to an enactment referred to in Schedule I by the name in Column I thereof is hereby amended by substituting for that name the corresponding name in Column III thereof, and any British North America Act not referred to in Schedule I may be cited as the *Constitution Act* followed by the year and number, if any, of its enactment.

Modifications corrélatives

(2) Tout texte législatif ou réglementaire, sauf la *Loi sur le Canada*, qui fait mention d'un texte législatif ou décret figurant à l'annexe I par le titre indiqué à la colonne I est modifié par substitution à ce titre du titre correspondant mentionné à la colonne III; tout Acte de l'Amérique du Nord britannique non mentionné à l'annexe I peut être cité sous le titre de *Loi constitutionnelle* suivi de l'indication de l'année de son adoption et éventuellement de son numéro.

Repeal and consequential amendments

54. Part IV is repealed on the day that is one year after this Part comes into force and this section may be repealed and this Act renumbered, consequential upon the repeal of Part IV and this section, by proclamation issued by the Governor General under the Great Seal of Canada.

Abrogation et modifications qui en découlent

54. La partie IV est abrogée un an après l'entrée en vigueur de la présente partie et le gouverneur général peut, par proclamation sous le grand sceau du Canada, abroger le présent article et apporter en conséquence de cette double abrogation les aménagements qui s'imposent à la présente loi.

French version of Constitution of Canada

55. A French version of the portions of the Constitution of Canada referred to in Schedule I shall be prepared by the Minister of Justice of Canada as expeditiously as possible and, when any portion thereof sufficient to warrant action being taken has been so prepared, it shall be put forward for enactment by proclamation issued by the Governor General under the Great Seal of Canada pursuant to the procedure then applicable to an amendment of the same provisions of the Constitution of Canada.

Version française de certains textes constitutionnels

55. Le ministre de la Justice du Canada est chargé de rédiger, dans les meilleurs délais, la version française des parties de la Constitution du Canada qui figurent à l'annexe I; toute partie suffisamment importante est, dès qu'elle est prête, déposée pour adoption par proclamation du gouverneur général sous le grand sceau du Canada, conformément à la procédure applicable à l'époque à la modification des dispositions constitutionnelles qu'elle contient.

English and French versions of certain constitutional texts

56. Where any portion of the Constitution of Canada has been or is enacted in English and French or where a French version of any portion of the Constitution is enacted pursuant to section 55, the English and French versions of that portion of the Constitution are equally authoritative.

Versions française et anglaise de certains textes constitutionnels

56. Les versions française et anglaise des parties de la Constitution du Canada adoptées dans ces deux langues ont également force de loi. En outre, ont également force de loi, dès l'adoption, dans le cadre de l'article 55, d'une partie de la version française de la Constitution, cette partie et la version anglaise correspondante.

English and French versions of this Act

57. The English and French versions of this Act are equally authoritative.

Versions française et anglaise de la présente loi

57. Les versions française et anglaise de la présente loi ont également force de loi.

Commencement

58. Subject to section 59, this Act shall come into force on a day to be fixed by proclamation issued by the Queen or the Governor General under the Great Seal of Canada.

Entrée en vigueur

58. Sous réserve de l'article 59, la présente loi entre en vigueur à la date fixée par proclamation de la Reine ou du gouverneur général sous le grand sceau du Canada.

Commencement of paragraph 23(1)(*a*) in respect of Quebec

59. (1) Paragraph 23(1)(*a*) shall come into force in respect of Quebec on a day to be

Entrée en vigueur de l'alinéa 23(1)*a*) pour le Québec

59. (1) L'alinéa 23(1)*a*) entre en vigueur pour le Québec à la date fixée par proclama-

fixed by proclamation issued by the Queen or the Governor General under the Great Seal of Canada.

tion de la Reine ou du gouverneur général sous le grand sceau du Canada.

Authorization of Quebec

(2) A proclamation under subsection (1) shall be issued only where authorized by the legislative assembly or government of Quebec.

(2) La proclamation visée au paragraphe (1) ne peut être prise qu'après autorisation de l'assemblée législative ou du gouvernement du Québec.

Autorisation du Québec

Repeal of this section

(3) This section may be repealed on the day paragraph 23(1)(*a*) comes into force in respect of Quebec and this Act amended and renumbered, consequential upon the repeal of this section, by proclamation issued by the Queen or the Governor General under the Great Seal of Canada.

(3) Le présent article peut être abrogé à la date d'entrée en vigueur de l'alinéa 23(1)*a*) pour le Québec, et la présente loi faire l'objet, dès cette abrogation, des modifications et changements de numérotation qui en découlent, par proclamation de la Reine ou du gouverneur général sous le grand sceau du Canada.

Abrogation du présent article

Short title and citations

60. This Act may be cited as the *Constitution Act, 1981*, and the Constitution Acts 1867 to 1975 (No. 2) and this Act may be cited together as the *Constitution Acts, 1867 to 1981*.

60. Titre abrégé de la présente annexe : *Loi constitutionnelle de 1981*; titre commun des lois constitutionnelles de 1867 à 1975 (nº 2) et de la présente loi : *Lois constitutionnelles de 1867 à 1981*.

Titres

SCHEDULE I

to the

CONSTITUTION ACT, 1981

MODERNIZATION OF THE CONSTITUTION

Item	Column I Act Affected	Column II Amendment	Column III New Name
1.	British North America Act, 1867, 30-31 Vict., c. 3 (U.K.)	(1) Section 1 is repealed and the following substituted therefor: "1. This Act may be cited as the *Constitution Act, 1867*." (2) Section 20 is repealed. (3) Class 1 of section 91 is repealed. (4) Class 1 of section 92 is repealed.	Constitution Act, 1867
2.	An Act to amend and continue the Act 32-33 Victoria chapter 3; and to establish and provide for the Government of the Province of Manitoba, 1870, 33 Vict., c. 3 (Can.)	(1) The long title is repealed and the following substituted therefor: "*Manitoba Act, 1870*." (2) Section 20 is repealed.	Manitoba Act, 1870
3.	Order of Her Majesty in Council admitting Rupert's Land and the North-Western Territory into the union, dated the 23rd day of June, 1870		Rupert's Land and North-Western Territory Order
4.	Order of Her Majesty in Council admitting British Columbia into the Union, dated the 16th day of May, 1871		British Columbia Terms of Union
5.	British North America Act, 1871, 34-35 Vict., c. 28 (U.K.)	Section 1 is repealed and the following substituted therefor: "1. This Act may be cited as the *Constitution Act, 1871*."	Constitution Act, 1871
6.	Order of Her Majesty in Council admitting Prince Edward Island into the Union, dated the 26th day of June, 1873		Prince Edward Island Terms of Union
7.	Parliament of Canada Act, 1875, 38-39 Vict., c. 38 (U.K.)		Parliament of Canada Act, 1875
8.	Order of Her Majesty in Council admitting all British possessions and Territories in North America and islands adjacent thereto into the Union, dated the 31st day of July, 1880		Adjacent Territories Order

ANNEXE I

LOI CONSTITUTIONNELLE DE 1981

ACTUALISATION DE LA CONSTITUTION

	Colonne I Loi visée	Colonne II Modification	Colonne III Nouveau titre
1.	Acte de l'Amérique du Nord britannique, 1867, 30-31 Vict., c. 3 (R.-U.)	(1) L'article 1 est abrogé et remplacé par ce qui suit : «1. Titre abrégé : *Loi constitutionnelle de 1867*.» (2) L'article 20 est abrogé. (3) La catégorie 1 de l'article 91 est abrogée. (4) La catégorie 1 de l'article 92 est abrogée.	Loi constitutionnelle de 1867
2.	Acte pour amender et continuer l'acte trente-deux et trente-trois Victoria, chapitre trois, et pour établir et constituer le gouvernement de la province de Manitoba, 1870, 33 Vict., c. 3 (Canada)	(1) Le titre complet est abrogé et remplacé par ce qui suit : «*Loi de 1870 sur le Manitoba*.» (2) L'article 20 est abrogé.	Loi de 1870 sur le Manitoba
3.	Arrêté en conseil de Sa Majesté admettant la Terre de Rupert et le Territoire du Nord-Ouest, en date du 23 juin 1870		Décret en conseil sur la terre de Rupert et le territoire du Nord-Ouest
4.	Arrêté en conseil de Sa Majesté admettant la Colombie-Britannique, en date du 16 mai 1871		Conditions de l'adhésion de la Colombie-Britannique
5.	Acte de l'Amérique du Nord britannique, 1871, 34-35 Vict., c. 28 (R.-U.)	L'article 1 est abrogé et remplacé par ce qui suit : «1. Titre abrégé : *Loi constitutionnelle de 1871*.»	Loi constitutionnelle de 1871
6.	Arrêté en conseil de Sa Majesté admettant l'Île-du-Prince-Édouard, en date du 26 juin 1873		Conditions de l'adhésion de l'Île-du-Prince-Édouard
7.	Acte du Parlement du Canada, 1875, 38-39 Vict., c. 38 (R.-U.)		Loi de 1875 sur le Parlement du Canada
8.	Arrêté en conseil de Sa Majesté admettant dans l'Union tous les territoires et possessions britanniques dans l'Amérique du Nord, et les îles adjacentes à ces territoires et possessions, en date du 31 juillet 1880		Décret en conseil sur les territoires adjacents

SCHEDULE I

to the

CONSTITUTION ACT, 1981—*Continued*

Item	Column I Act Affected	Column II Amendment	Column III New Name
9.	British North America Act, 1886, 49-50 Vict., c. 35 (U.K.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Constitution Act, 1886*."	Constitution Act, 1886
10.	Canada (Ontario Boundary) Act, 1889, 52-53 Vict., c. 28 (U.K.)		Canada (Ontario Boundary) Act, 1889
11.	Canadian Speaker (Appointment of Deputy) Act, 1895, 2nd Sess., 59 Vict., c. 3 (U.K.)	The Act is repealed.	
12.	The Alberta Act, 1905, 4-5 Edw. VII, c. 3 (Can.)		Alberta Act
13.	The Saskatchewan Act, 1905, 4-5 Edw. VII, c. 42 (Can.)		Saskatchewan Act
14.	British North America Act, 1907, 7 Edw. VII, c. 11 (U.K.)	Section 2 is repealed and the following substituted therefor: "2. This Act may be cited as the *Constitution Act, 1907*."	Constitution Act, 1907
15.	British North America Act, 1915, 5-6 Geo. V, c. 45 (U.K.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Constitution Act, 1915*."	Constitution Act, 1915
16.	British North America Act, 1930, 20-21 Geo. V, c. 26 (U.K.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Constitution Act, 1930*."	Constitution Act, 1930
17.	Statute of Westminster, 1931, 22 Geo. V, c. 4 (U.K.)	In so far as they apply to Canada, (*a*) section 4 is repealed; and (*b*) subsection 7(1) is repealed.	Statute of Westminster, 1931
18.	British North America Act, 1940, 3-4 Geo. VI, c. 36 (U.K.)	Section 2 is repealed and the following substituted therefor: "2. This Act may be cited as the *Constitution Act, 1940*."	Constitution Act, 1940
19.	British North America Act, 1943, 6-7 Geo. VI, c. 30 (U.K.)	The Act is repealed.	

ANNEXE I (*suite*)

LOI CONSTITUTIONNELLE DE 1981

	Colonne I Loi visée	Colonne II Modification	Colonne III Nouveau titre
9.	Acte de l'Amérique du Nord britannique, 1886, 49-50 Vict., c. 35 (R.-U.)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi constitutionnelle de 1886.*»	Loi constitutionnelle de 1886
10.	Acte du Canada (limites d'Ontario) 1889, 52-53 Vict., c. 28 (R.-U.)		Loi de 1889 sur le Canada (frontières de l'Ontario)
11.	Acte concernant l'Orateur canadien (nomination d'un suppléant) 1895, 2e session, 59 Vict., c. 3 (R.-U.)	La loi est abrogée.	
12.	Acte de l'Alberta, 1905, 4-5 Ed. VII, c. 3 (Canada)		Loi sur l'Alberta
13.	Acte de la Saskatchewan, 1905, 4-5 Ed. VII, c. 42 (Canada)		Loi sur la Saskatchewan
14.	Acte de l'Amérique du Nord britannique, 1907, 7 Ed. VII, c. 11 (R.-U.)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé : *Loi constitutionnelle de 1907.*»	Loi constitutionnelle de 1907
15.	Acte de l'Amérique du Nord britannique, 1915, 5-6 Geo. V, c. 45 (R.-U.)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi constitutionnelle de 1915.*»	Loi constitutionnelle de 1915
16.	Acte de l'Amérique du Nord britannique, 1930, 20-21 Geo. V, c. 26 (R.-U.)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi constitutionnelle de 1930.*»	Loi constitutionnelle de 1930
17.	Statut de Westminster, 1931, 22 Geo. V, c. 4 (R.-U.)	Dans la mesure où ils s'appliquent au Canada : *a*) l'article 4 est abrogé; *b*) le paragraphe 7(1) est abrogé.	Statut de Westminster de 1931
18.	Acte de l'Amérique du Nord britannique, 1940, 3-4 Geo. VI, c. 36 (R.-U.)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé : *Loi constitutionnelle de 1940.*»	Loi constitutionnelle de 1940
19.	Acte de l'Amérique du Nord britannique, 1943, 6-7 Geo. VI, c. 30 (R.-U.)	La loi est abrogée.	

SCHEDULE I

to the

CONSTITUTION ACT, 1981—*Continued*

Item	Column I Act Affected	Column II Amendment	Column III New Name
20.	British North America Act, 1946, 9-10 Geo. VI, c. 63 (U.K.)	The Act is repealed.	
21.	British North America Act, 1949, 12-13 Geo. VI, c. 22 (U.K.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Newfoundland Act*."	Newfoundland Act
22.	British North America (No. 2) Act, 1949, 13 Geo. VI, c. 81 (U.K.)	The Act is repealed.	
23.	British North America Act, 1951, 14-15 Geo. VI, c. 32 (U.K.)	The Act is repealed.	
24.	British North America Act, 1952, 1 Eliz. II, c. 15 (Can.)	The Act is repealed.	
25.	British North America Act, 1960, 9 Eliz. II, c. 2 (U.K.)	Section 2 is repealed and the following substituted therefor: "2. This Act may be cited as the *Constitution Act, 1960*."	Constitution Act, 1960
26.	British North America Act, 1964, 12-13 Eliz. II, c. 73 (U.K.)	Section 2 is repealed and the following substituted therefor: "2. This Act may be cited as the *Constitution Act, 1964*."	Constitution Act, 1964
27.	British North America Act, 1965, 14 Eliz. II, c. 4, Part I (Can.)	Section 2 is repealed and the following substituted therefor: "2. This Part may be cited as the *Constitution Act, 1965*."	Constitution Act, 1965
28.	British North America Act, 1974, 23 Eliz. II, c. 13, Part I (Can.)	Section 3, as amended by 25-26 Eliz. II, c. 28, s. 38(1) (Can.), is repealed and the following substituted therefor: "3. This Part may be cited as the *Constitution Act, 1974*."	Constitution Act, 1974

ANNEXE I (*suite*)

LOI CONSTITUTIONNELLE DE 1981

	Colonne I Loi visée	Colonne II Modification	Colonne III Nouveau titre
20.	Acte de l'Amérique du Nord britannique, 1946, 9-10 Geo. VI, c. 63 (R.-U.)	La loi est abrogée.	
21.	Acte de l'Amérique du Nord britannique, 1949, 12-13 Geo. VI, c. 22 (R.-U.)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi sur Terre-Neuve.*»	Loi sur Terre-Neuve
22.	Acte de l'Amérique du Nord britannique (N° 2), 1949, 13 Geo. VI, c. 81 (R.-U.)	La loi est abrogée.	
23.	Acte de l'Amérique du Nord britannique, 1951, 14-15 Geo. VI, c. 32 (R.-U.)	La loi est abrogée.	
24.	Acte de l'Amérique du Nord britannique, 1952, 1 Eliz. II, c. 15 (Canada)	La loi est abrogée.	
25.	Acte de l'Amérique du Nord britannique, 1960, 9 Eliz. II, c. 2 (R.-U.)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé : *Loi constitutionnelle de 1960.*»	Loi constitutionnelle de 1960
26.	Acte de l'Amérique du Nord britannique, 1964, 12-13 Eliz. II, c. 73 (R.-U.)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé : *Loi constitutionnelle de 1964.*»	Loi constitutionnelle de 1964
27.	Acte de l'Amérique du Nord britannique, 1965, 14 Eliz. II, c. 4, Partie I (Canada)	L'article 2 est abrogé et remplacé par ce qui suit : «2. Titre abrégé de la présente partie : *Loi constitutionnelle de 1965.*»	Loi constitutionnelle de 1965
28.	Acte de l'Amérique du Nord britannique, 1974, 23 Eliz. II, c. 13, Partie I (Canada)	L'article 3, modifié par le paragraphe 38(1) de la loi 25-26 Elizabeth II, c. 28 (Canada), est abrogé et remplacé par ce qui suit : «3. Titre abrégé de la présente partie : *Loi constitutionnelle de 1974.*»	Loi constitutionnelle de 1974

SCHEDULE I

to the

CONSTITUTION ACT, 1981—*Concluded*

Item	Column I Act Affected	Column II Amendment	Column III New Name
29.	British North America Act, 1975, 23-24 Eliz. II, c. 28, Part I (Can.)	Section 3, as amended by 25-26 Eliz. II, c. 28, s. 31 (Can.), is repealed and the following substituted therefor: "3. This Part may be cited as the *Constitution Act (No. 1), 1975*."	Constitution Act (No. 1), 1975
30.	British North America Act (No. 2), 1975, 23-24 Eliz. II, c. 53 (Can.)	Section 3 is repealed and the following substituted therefor: "3. This Act may be cited as the *Constitution Act (No. 2), 1975*."	Constitution Act (No. 2), 1975

And on the amendment of Mr. Epp, seconded by Miss MacDonald,—That the proposed *Constitution Act 1981* be amended by striking out Section 40 and substituting the following therefor:

"40. In the event that a province dissents from an amendment conferring legislative jurisdiction on Parliament, the Government of Canada shall provide reasonable compensation to the government of that province, taking into account the *per capita* costs to exercise that jurisdiction in the provinces which have approved the amendment."

And on the amendment to the amendment of Mr. Broadbent, seconded by Mr. Deans,—That the amendment be amended by striking out, in the first line, the words "a province" and substituting the words "the province of Québec".

And on the amendment of Mr. Manly, seconded by Mr. Fulton,—That the proposed *Constitution Act 1981* be amended

(*a*) by adding immediately after Section 47 the following new section:

"48. An amendment to the Constitution of Canada in relation to the rights of the aboriginal peoples of Canada set out in Part II may be made by proclamation issued by the Governor General under the Great Seal of Canada only in accordance with the following procedure:

(*a*) in the Yukon and Northwest Territories, when so authorized by resolution of a two-thirds majority vote in the Senate and House of Commons and with the consent of a majority of each of the aboriginal peoples so affected;

(*b*) in the provinces, when so authorized in accordance with Section 42 and with the consent of a majority of each of the aboriginal peoples so affected; and

(*c*) for the purposes referred to in this Section, consent of the aboriginal peoples shall be obtained by a procedure determined by the Government of Canada and the aboriginal peoples of Canada."; and

(*b*) by renumbering the subsequent sections accordingly.

ANNEXE I (*fin*)

LOI CONSTITUTIONNELLE DE 1981

	Colonne I Loi visée	Colonne II Modification	Colonne III Nouveau titre
29.	Acte de l'Amérique du Nord britannique, 1975, 23-24 Eliz. II, c. 28, Partie I (Canada)	L'article 3, modifié par l'article 31 de la loi 25-26 Elizabeth II, c. 28 (Canada), est abrogé et remplacé par ce qui suit : «3. Titre abrégé de la présente partie : *Loi constitutionnelle nº 1 de 1975.*»	Loi constitutionnelle nº 1 de 1975
30.	Acte de l'Amérique du Nord britannique nº 2, 1975, 23-24 Eliz. II, c. 53 (Canada)	L'article 3 est abrogé et remplacé par ce qui suit : «3. Titre abrégé : *Loi constitutionnelle nº 2 de 1975.*»	Loi constitutionnelle nº 2 de 1975

Sur l'amendement de M. Epp, appuyé par M^lle^ MacDonald,—Qu'on modifie le projet de *Loi constitutionnelle de 1981* en retranchant l'article 40 et en le remplaçant par ce qui suit:

«40. Si une province n'est pas d'accord sur une modification qui donne compétence législative au Parlement, le gouvernement du Canada doit indemniser raisonnablement le gouvernement de cette province, compte tenu du coût *per capita* de l'exercice de cette compétence dans les provinces qui ont approuvé la modification.»

Sur le sous-amendement de M. Broadbent, appuyé par M. Deans,—Qu'on modifie l'amendement, à la première ligne, en retranchant les mots «une province» et en les remplaçant par les mots «la province de Québec».

Et sur l'amendement de M. Manly, appuyé par M. Fulton,—Qu'on modifie le projet de *Loi constitutionnelle de 1981*,

a) en ajoutant, immédiatement après l'article 47, le nouvel article suivant:

«48. Une modification de la Constitution du Canada portant sur les droits des peuples autochtones du Canada énoncés dans la Partie II ne peut être faite par proclamation du Gouverneur général sous le grand sceau du Canada que conformément à la procédure suivante:

a) dans le Yukon et les Territoires du Nord-Ouest, lorsqu'elle est autorisée par vote du Sénat et de la Chambre des communes à la majorité de chacun des peuples autochtones qu'elle touche;

b) dans les provinces, lorsqu'elle est autorisée conformément à l'article 42 et acceptée par la majorité de chacun des peuples autochtones qu'elle touche; et

c) aux fins mentionnées à cet article, l'acceptation des peuples autochtones s'obtiendra selon une procédure convenue entre le gouvernement du Canada et les peuples autochtones du Canada.»; et

b) en renumérotant en conséquence les articles qui suivent.

The Constitution

Madam Speaker: Order, please! It being 3 p.m., it is my duty pursuant to the order made on Friday, November 27, 1981, to dispose of government business under No. 56.

[*English*]

The question is on the amendment to the amendment by the hon. member for Oshawa (Mr. Broadbent), seconded by the hon. member for Hamilton Mountain (Mr. Deans). Is it the pleasure of the House to adopt the amendment to the amendment?

Some hon. Members: Agreed.

Some hon. Members: No.

Madam Speaker: All those in favour of the amendment to the amendment will please say yea.

Some hon. Members: Yea.

Madam Speaker: All those opposed will please say nay.

Some hon. Members: Nay.

Madam Speaker: In my opinion the nays have it.

And more than five members having risen:

Madam Speaker: Call in the members.

The House divided on the amendment to the amendment (Mr. Broadbent) which was negatived on the following division:

● (1510)

(*Division No. 130*)

YEAS

Messrs.

Allmand
Althouse
Anguish
Benjamin
Blackburn
Blaikie
Broadbent
Deans
de Jong
Duclos
Fulton
Heap
Hovdebo
Jewett (Miss)
Keeper
Kristiansen
La Salle
Lewycky
Manly
Miller
Mitchell (Mrs.)
Murphy
Nystrom
Ogle
Orlikow
Parker
Rae
Riis
Robinson (Burnaby)
Rose
Sargeant
Skelly
Waddell
Young—34.

NAYS

Messrs.

Andre
Appolloni (Mrs.)
Axworthy
Bachand
Baker (Gander-Twillingate)
Baker (Nepean-Carleton)
Beatty
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Berger
Blais
Blaker
Blenkarn
Bloomfield
Bockstael
Bosley
Bossy
Breau
Bujold
Burghardt
Bussières
Caccia
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Cardiff
Carney (Miss)
Chénier
Chrétien
Clark (Yellowhead)
Clarke (Vancouver Quadra)
Coates
Collenette
Comtois
Cook
Cooper
Corbett
Corbin
Corriveau
Cosgrove
Cossitt
Côté (Mrs.)
Cousineau
Crombie
Crosbie (St. John's West)
Crosby (Halifax West)
Crouse
Cullen
Cyr
Dantzer
Darling
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dick
Dingwall
Dinsdale
Dion
Dionne (Northumberland-Miramichi)
Domm
Dubois
Dupont
Dupras
Duquet
Ellis
Elzinga
Epp
Erola (Mrs.)
Ethier
Evans
Fennell
Ferguson
Fisher
Fleming
Flis
Forrestall
Foster
Fox
Francis
Fraser
Fretz
Friesen
Frith
Gamble
Garant
Gass
Gauthier
Gendron
Gilchrist
Gimaïel
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Greenaway
Guilbault
Gurbin
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hamilton (Swift Current-Maple Creek)
Hargrave
Harquail
Hawkes
Hees
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hnatyshyn
Hopkins
Howie
Hudecki
Huntington
Irwin
Jarvis
Jelinek
Johnston
Joyal
Kaplan
Kelly
Kempling
Kilgour
Killens (Mrs.)
King
Korchinski
Kushner
Lachance
Lajoie
Lalonde
Lambert
Lamontagne
Landers
Lang
Laniel
Lapierre
Lapointe (Charlevoix)
Lapointe (Beauce)
Lawrence
LeBlanc
Leduc
Lefebvre
Lewis
Loiselle
Lonsdale
Lumley
MacBain
MacDonald (Miss)
MacGuigan
Mackasey
MacKay
MacLaren
MacLellan
Maltais
Marceau
Massé
Masters
Mayer
Mazankowski
McCauley
McCuish
McDermid
McGrath
McKenzie
McKinnon
McKnight
McLean
McMillan
McRae
Mitges
Munro (Esquimalt-Saanich)
Munro (Hamilton East)
Murta
Neil
Nicholson (Miss)
Nielsen
Nowlan
Oberle
Ostiguy
Ouellet
Paproski
Parent
Patterson
Pelletier
Penner
Pepin
Peterson
Pinard
Portelance
Prud'homme
Regan
Reid (St. Catharines)
Reid (Kenora-Rainy River)
Roberts
Robinson (Etobicoke-Lakeshore)
Roche
Rompkey
Rooney
Rossi
Roy
Savard
Schellenberger
Schroder
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Shields
Siddon
Simmons
Smith
Speyer
Stevens
Stewart
Tardif
Taylor
Tessier
Thacker
Thomson
Tobin
Tousignant
Trudeau
Turner
Vankoughnet
Veillette
Watson
Weatherhead
Wenman
Whelan
Wilson
Wise
Wright
Yanakis
Yurko—235.

● (1600)

Madam Speaker: I declare the amendment to the amendment defeated.

The next question is on the amendment by the hon. member for Provencher (Mr. Epp). Is it the pleasure of the House to adopt the amendment?

Some hon. Members: Agreed.

Some hon. Members: No.

Madam Speaker: All those in favour of the amendment will please say yea.

Some hon. Members: Yea.

Madam Speaker: All those opposed to the amendment will please say nay.

Some hon. Members: Nay.

Madam Speaker: In my opinion the nays have it.

And more than five members having risen:

Mr. Nielsen: Madam Speaker, perhaps we could have consent to dispense with the ringing of the bells.

Madam Speaker: Is there consent?

Some hon. Members: Agreed.

The House divided on the amendment (Mr. Epp) which was negatived on the following division:

(*Division No. 131*)

YEAS

Messrs.

Andre
Baker (Nepean-Carleton)
Beatty
Blenkarn
Bosley
Cardiff
Carney (Miss)
Clark (Yellowhead)
Clarke (Vancouver Quadra)
Cook
Cooper
Corbett
Crombie
Crosbie (St. John's West)
Crosby (Halifax West)
Crouse
Dantzer
Darling
Dick
Dinsdale
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Gass
Greenaway
Gurbin
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hamilton (Swift Current-Maple Creek)
Hargrave
Hawkes
Hees
Hnatyshyn
Howie
Huntington
Jarvis
Jelinek
Kempling
Kilgour
King
Korchinski
Kushner
Lambert
La Salle
Lawrence
Lewis
MacDonald (Miss)
MacKay
Mayer
Mazankowski
McCuish
McDermid
McGrath
McKinnon
McKnight
McLean
McMillan
Munro (Esquimalt-Saanich)
Murta
Nielsen
Nowlan
Oberle
Paproski
Patterson
Reid (St. Catharines)
Roche
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Shields
Siddon
Speyer
Stevens
Taylor
Thacker
Thomson
Vankoughnet
Wenman
Wilson
Wise
Wright—87.

NAYS

Messrs.

Allmand
Althouse
Anguish
Appolloni (Mrs.)
Axworthy
Bachand
Baker (Gander-Twillingate)
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Benjamin
Berger
Blackburn
Blaikie
Blais
Blaker
Bloomfield
Bockstael
Bossy
Breau
Broadbent
Bujold
Burghardt
Bussières
Caccia
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Chénier
Chrétien
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
Deans
De Bané
de Corneille
de Jong
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne (Northumberland-Miramichi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Francis
Frith
Fulton
Garant
Gauthier
Gendron
Gimaïel
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Guilbault
Harquail
Heap
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hovdebo
Hudecki
Irwin
Jewett (Miss)
Johnston
Joyal
Kaplan
Keeper
Kelly
Killens (Mrs.)
Kristiansen
Lachance
Lajoie
Lalonde
Lamontagne
Landers
Lang
Laniel
Lapierre
Lapointe (Charlevoix)
Lapointe (Beauce)
LeBlanc
Leduc
Lefebvre
Lewycky
Loiselle
Lonsdale
Lumley
MacBain
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Manly
Marceau
Massé
Masters
McCauley
McRae
Miller
Mitchell (Mrs.)
Munro (Hamilton East)
Murphy
Nicholson (Miss)
Nystrom
Ogle
Orlikow
Ostiguy
Ouellet
Parent
Parker
Pelletier
Penner
Pepin
Peterson
Pinard
Portelance
Prud'homme
Rae
Regan
Reid (Kenora-Rainy River)
Riis
Roberts
Robinson (Burnaby)
Robinson (Etobicoke-Lakeshore)
Rompkey
Rooney
Rose
Rossi
Roy
Sargeant
Savard
Schroder
Simmons
Skelly
Smith
Tardif
Tessier
Tobin
Tousignant
Trudeau
Turner
Veillette
Waddell
Watson
Weatherhead
Whelan
Yanakis
Young
Yurko—174.

● (1610)

Madam Speaker: I declare the amendment defeated.

The next question is on the amendment of the hon. member for Cowichan-Malahat-The Islands (Mr. Manly). Is it the pleasure of the House to adopt the said amendment?

Some hon. Members: Agreed.

Some hon. Members: No.

Madam Speaker: All those in favour of the amendment will please say yea.

Some hon. Members: Yea.

Madam Speaker: All those opposed to the amendment will please say nay.

Some hon. Members: Nay.

Madam Speaker: In my opinion the nays have it.

And more than five members having risen:

Madam Speaker: The House will now proceed to the vote.

The House divided on the amendment (Mr. Manly) which was negatived on the following division:

(*Division No. 132*)

YEAS

Messrs.

Allmand
Althouse
Anguish
Benjamin
Blackburn
Blaikie
Broadbent
Cossitt
Deans
de Jong
Fulton
Heap
Hovdebo
Jewett (Miss)
Keeper
Kristiansen
Lewycky
Manly
Miller
Mitchell (Mrs.)
Murphy
Nystrom
Ogle
Orlikow
Parker
Rae
Riis
Robinson (Burnaby)
Rose
Sargeant
Skelly
Waddell
Young—33.

NAYS

Messrs.

Andre
Appolloni (Mrs.)
Axworthy
Bachand
Baker (Gander-Twillingate)
Baker (Nepean-Carleton)
Beatty
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Berger
Blais
Blaker
Blenkarn
Bloomfield
Bockstael
Bosley
Bossy
Breau
Bujold
Burghardt
Bussières
Caccia
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Cardiff
Carney (Miss)
Chénier
Chrétien
Clark (Yellowhead)
Clarke (Vancouver Quadra)
Coates
Collenette
Comtois
Cook
Cooper
Corbett
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Crombie
Crosbie (St. John's West)
Crosby (Halifax West)
Crouse
Cullen
Cyr
Dantzer
Darling
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dick
Dingwall
Dinsdale
Dion
Dionne (Northumberland-Miramichi)
Domm
Dubois
Duclos
Dupont
Dupras
Duquet
Ellis
Elzinga
Epp
Erola (Mrs.)
Ethier
Evans
Fennell
Ferguson
Fisher
Fleming
Flis
Forrestall
Foster
Fox
Francis
Fraser
Fretz
Friesen
Frith
Gamble
Garant
Gass
Gauthier
Gendron
Gilchrist
Gimaïel
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Guilbault
Gurbin
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hamilton (Swift Current-Maple Creek)
Hargrave
Harquail
Hawkes
Hees
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hnatyshyn
Hopkins
Howie
Hudecki
Huntington
Irwin
Jarvis
Jelinek
Johnston
Joyal
Kaplan
Kelly
Kempling
Kilgour
Killens (Mrs.)
King
Korchinski
Kushner
Lachance
Lajoie
Lalonde
Lambert
Lamontagne
Landers
Lang
Laniel
Lapierre
Lapointe (Charlevoix)
Lapointe (Beauce)
La Salle
Lawrence
LeBlanc
Leduc
Lefebvre
Lewis
Loiselle
Lonsdale
Lumley
MacBain
MacDonald (Miss)
MacGuigan
Mackasey
MacKay
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
Mayer
Mazankowski
McCauley
McCuish
McDermid
McGrath
McKenzie
McKinnon
McKnight
McLean
McMillan
McRae
Mitges
Munro (Esquimalt-Saanich)
Munro (Hamilton East)
Murta
Neil
Nicholson (Miss)
Nielsen
Nowlan
Ostiguy
Ouellet
Paproski
Parent
Patterson
Pelletier
Penner
Pepin
Peterson
Pinard
Portelance
Prud'homme
Regan
Reid (St. Catharines)
Reid (Kenora-Rainy River)
Roberts
Robinson (Etobicoke-Lakeshore)
Roche
Rompkey
Rooney
Rossi
Roy
Savard
Schellenberger
Schroder
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Shields
Siddon
Simmons
Smith
Speyer
Stevens
Stewart
Tardif
Taylor
Tessier
Thacker
Thomson
Tobin
Tousignant
Trudeau
Turner
Vankoughnet
Veillette
Watson
Weatherhead
Wenman
Whelan
Wilson
Wise
Wright
Yanakis
Yurko—235.

● (1620)

Madam Speaker: I declare the amendment defeated.

The question is now on the main motion in the name of the Minister of Justice (Mr. Chrétien).

[*Translation*]

Is it the pleasure of the House to adopt the motion as amended? All those in favour of the motion as amended will please say yea.

Some hon. Members: Yea.

Madam Speaker: All those opposed will please say nay.

Some hon. Members: Nay.

Madam Speaker: In my opinion the yeas have it.

And more than five members having risen:

Madam Speaker: We shall now proceed to the recorded vote.

The House divided on the motion (Mr. Chrétien) which was agreed to on the following division:

● (1630)

(*Division No. 133*)

YEAS

Messrs.

Althouse
Andre
Anguish
Appolloni (Mrs.)
Axworthy
Bachand
Baker (Gander-Twillingate)
Baker (Nepean-Carleton)
Beatty
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Benjamin
Berger
Blackburn
Blaikie
Blais
Blaker
Blenkarn
Bockstael
Bosley
Bossy
Breau
Broadbent
Bujold
Burghardt
Bussières
Caccia
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Cardiff
Carney (Miss)
Chénier
Chrétien
Clark (Yellowhead)
Clarke (Vancouver Quadra)
Coates
Collenette
Comtois
Cook
Cooper
Corbett
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Crombie
Crosbie (St. John's West)
Crosby (Halifax West)
Crouse
Cullen
Cyr
Dantzer
Darling
Daudlin
Dawson
Deans
De Bané
de Corneille
de Jong
Demers
Deniger
Desmarais
Dick
Dingwall
Dinsdale
Dion
Dionne (Northumberland-Miramichi)
Dubois
Dupont
Dupras
Duquet
Ellis
Elzinga
Epp
Erola (Mrs.)
Ethier
Evans
Fennell
Ferguson
Fisher
Fleming
Flis
Forrestall
Foster
Fox
Francis
Fraser
Fretz
Friesen
Frith
Fulton
Garant
Gass
Gendron
Gimaïel
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Greenaway
Guilbault
Gurbin
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hamilton (Swift Current-Maple Creek)
Hargrave
Harquail
Hawkes
Heap
Hees
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hnatyshyn
Hopkins
Hovdebo
Howie
Irwin
Jarvis
Jewett (Miss)
Johnston
Joyal
Kaplan
Keeper
Kelly
Kempling
Kilgour
Killens (Mrs.)
King
Korchinski
Kristiansen
Kushner
Lachance
Lajoie
Lalonde
Lambert
Lamontagne
Landers
Lang
Laniel
Lapierre
Lapointe (Charlevoix)
Lapointe (Beauce)
Lawrence
LeBlanc
Leduc
Lefebvre
Lewis
Lewycky
Loiselle
Lonsdale
Lumley
MacBain
MacDonald (Miss)
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
Mayer
Mazankowski
McCauley
McCuish
McDermid
McGrath
McKinnon
McKnight
McLean
McMillan
McRae
Miller
Mitchell (Mrs.)
Munro (Esquimalt-Saanich)
Munro (Hamilton East)
Murphy
Murta
Nicholson (Miss)
Nielsen
Nowlan
Nystrom
Orlikow
Ostiguy
Ouellet
Paproski
Parent
Parker
Pelletier
Penner
Pepin
Peterson
Pinard
Portelance
Prud'homme
Rae
Regan
Reid (St. Catharines)
Reid (Kenora-Rainy River)
Riis
Roberts
Robinson (Etobicoke-Lakeshore)
Rompkey
Rooney
Rose
Rossi
Roy
Sargeant
Savard
Schellenberger
Schroder
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Shields
Siddon
Simmons
Skelly
Smith
Speyer
Stevens
Tardif
Taylor
Tessier
Thacker
Thomson
Tobin
Tousignant
Trudeau
Turner
Vankoughnet
Veillette
Waddell
Watson
Weatherhead
Wenman
Whelan
Wilson
Wise
Wright
Yanakis
Young
Yurko—246.

NAYS

Messrs.

Allmand
Bloomfield
Cossitt
Domm
Duclos
Gamble
Gauthier
Gilchrist
Gustafson
Hudecki
Huntington
Jelinek
La Salle
MacKay
Manly
McKenzie
Mitges
Neil
Oberle
Patterson
Robinson (Burnaby)
Roche
Stewart
Towers—24.

● (1640)

[*English*]

Madam Speaker: I declare the motion carried.

Some hon. Members: Hear, hear!

Whereupon the members of the House rose and sang

O Canada

Madam Speaker: If it would not be too much of an anti-climax, we should proceed to routine proceedings.

* * *

BUSINESS OF THE HOUSE

Mr. Deans: Madam Speaker, I rise on a point of order. I wonder if I might make an appeal to the government House leader and the House leader for the official opposition to call it

six o'clock for today and to proceed with the business tomorrow.

[*Translation*]

Mr. Pinard: Madam Speaker, I feel that the best way to celebrate this historic day is to show an exceptional willingness to expedite the business of the House. We have a very full legislative schedule, and I think it is important that we should try to get the third reading of Bill C-48 this afternoon.

[*English*]

Mr. Waddell: Madam Speaker, surely Canadians should learn how to enjoy themselves. This is an historic day; let us adjourn the House and celebrate it. There is only an hour left. We would allow third reading to take place right now.

An hon. Member: No.

Madam Speaker: We obviously do not have the consent of the House to adjourn the House.

* * *

PETITIONS

TABLING OF REPORTS OF CLERK OF PETITIONS

Madam Speaker: I have the honour to inform the House that the Clerk of the House has laid upon the Table reports of the Clerk of Petitions stating that he has examined the petitions presented by hon. members on Tuesday, December 1, 1981, and finds that they meet the requirements of the Standing Orders as to form.

ROUTINE PROCEEDINGS

[*English*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, the following questions will be answered today: Nos. 2,695, 3,096, 3,103, 3,124, 3,142 and 3,143.

[*Text*]

ALLOCATION OF FUNDS FOR HIGHWAY RESEARCH

Question No. 2,695—**Mr. Robinson (Etobicoke-Lakeshore):**

1. In the past five years, what amount was allocated by the government to highway research and science?

2. Does the government presently maintain research facilities to research highway technology and, if so, what are the facilities?

3. From 1976 to 1980, what amount went toward research of urban transportation?

4. Since 1970, did the government commit funds to provincial or municipal governments for building an urban transportation system and, if so, in what amount?

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): I am informed by the Departments of Public Works, Regional Economic Expansion, Supply and Services and Transport as follows:

1. The Transportation Development Centre of Transport Canada (TDC) in the past five years has allocated approximately $200,000 to highway research and science.

The Department of Public Works also made a contribution of $50,000 in 1976 to the Ontario ministry of transportation and communications to aid in developing a better code for the design of highway bridges. In addition, $84,000 was allotted in the last five years for contracts to study bridge vibration and thermal and construction stresses, and $20,000 was contributed to two studies under contract by Department of Supply and Services.

The Department of Supply and Services through its unsolicited proposal program contracted for the following three studies:

(i) Study of transverse distribution of vehicle loads on highway bridges, $30,000 DSS and $10,000 DPW.

(ii) Analysis and design of box bridges and voided slab bridges, $49,950 DSS.

(iii) Study of the effectiveness of intermediate diaphrams in distributing five loads in beam and slab bridges, $18,000 DSS and $10,000 DPW.

2. TDC does not maintain research facilities to research highway technology.

3. From fiscal years 1976/77 to 1980/81 TDC spent approximately $10,250,000 toward research of urban transportation.

4. The TDC has since 1970 often cost-shared R & D projects with provinces and/or municipalities on R & D projects to improve components of various urban transportation systems. The costs of these R & D projects are included in the amount described in part 3 above.

Through the Transport Canada Urban Transportation Assistance Program, established in 1978, approximately $47.4 million has been approved for urban transportation projects of various sorts and $97.5 million has been approved for the construction of railway grade separations.

Since 1970, the Department of Regional Economic Expansion committed a total of $167,689,071 in grants and $20,037,-111 in loans to provincial and municipal governments for building of urban transportation systems.

CENTENNIAL COMMISSION

Question No. 3,096—**Mr. Clarke:**

1. During the period 1970-80 did the Centennial Commission acquire shares or other ownership interest in any other corporation, limited liability company or unincorporated company and, if so, what was the (a) name of the corporation, limited liability company or unincorporated company and any subsidiaries

thereof (b) percentage of equity acquired (c) cost of acquisition (d) book value of the acquisition?

2. Does the Centennial Commission have a plan to change the present portion of ownership in any of these enterprises and, if so, what is the plan?

Hon. Gerald Regan (Secretary of State): The Centennial Commission ceased to exist on April 1, 1968 pursuant to Appropriation Act No. 1, 1968, 1967-68.

LOTO CANADA

Question No. 3,103—**Mr. Clarke:**

1. During the period 1970-80 did Loto Canada Inc. acquire shares or other ownership interest in any other corporation, limited liability company or unincorporated company and, if so, what was the (a) name of the corporation, limited liability company or unincorporated company and any subsidiaries thereof (b) percentage of equity acquired (c) cost of acquisition (d) book value of the acquisition?

2. Does Loto Canada Inc. have a plan to change the present portion of ownership in any of these enterprises and, if so, what is the plan?

Hon. Gerald Regan (Secretary of State): 1. No.

2. Not applicable.

ACQUISITION OF SHARES BY CROWN CORPORATIONS

Question No. 3,124—**Mr. Clarke:**

1. With reference to each corporation partially-owned by Her Majesty in right of Canada, during the period 1970-80 did the corporation acquire shares or other ownership interest in any other corporation, limited liability company or unincorporated company and, if so, what was the (a) name of the corporation, limited liability company or unincorporated company and any subsidiaries thereof (b) percentage of equity acquired (c) cost of acquisition (d) book value of the acquisition?

2. In each case, does the corporation have a plan to change the present portion of ownership in any of these enterprises and, if so, what is the plan?

Hon. Donald J. Johnston (President of the Treasury Board): 1. The government has collected information on all corporations in which it holds an interest since 1977. The names of all partially-owned corporations as well as their subsidiary and associated corporations have been published by the Office of the Comptroller General on the basis of questionnaires sent to the parent corporations. This list, revised in 1980, was tabled on October 6, 1980 to an answer to question No. 46.

As a partial shareholder the government is not privileged to receive financial information other than that available to all shareholders.

2. Corporate planning is the responsibility of the board of directors. It would not be appropriate for the government to violate commercial confidentiality by obliging its nominees on the board to divulge investment plans.

LONG DISTANCE TELEPHONE CALLS

Question No. 3,142—**Mr. Cossitt:**

Was the government charged for long-distance telephone calls not placed through government operators or on government long-distance lines during the fiscal year 1980-81 and, if so, what amount?

Mr. Jack Masters (Parliamentary Secretary to Minister of Communications): In so far as the Department of Communications is concerned, the reply to the above question is as follows: yes, based on the information reported by departments for the fiscal year 1980-81, $26,325,000 was billed directly by the carriers to individual departments.

TELEPHONE CALLS BY MP'S

Question No. 3,143—**Mr. Cossitt:**

1. With reference to telephone calls made by Members of Parliament and their constituency office staff on their allotted government code number and on connections where the government operators made note of the number of the call, were the numbers made available in any way to the government or to any other source?

2. Other than requests from individual Members of Parliament who might be checking misuse of their code numbers, were requests received by the Department of Communications or by any other government department or agency for numbers called by means of any member's code number and, if so, in each case (a) what was the date (b) what was the constituency involved (c) who was the person requesting such information (d) what was the reason given for such a request?

Mr. Jack Masters (Parliamentary Secretary to Minister of Communications): In so far as the Department of Communications is concerned, the reply to the above question is as follows:

1. The Government Telecommunications Agency requires certain information for billing and planning purposes on calls made by the use of government call codes. The information, which is entered on mark sense cards by government operators consists of: point of termination, point of origin, called number, call code number, and connect and disconnect times. This data is provided only on written request to authorized officials of departments or agencies to which the call codes have been specifically assigned. The Sergeant-at-Arms is the authorized official for Members of Parliament. Any requests by members who might be checking misuse of their code numbers are channeled through his office.

2. No, other than noted above, GTA has not received any requests from government departments, agencies or other sources for numbers called by means of any member's code number.

[*English*]

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

Madam Speaker: Shall the remaining questions be allowed to stand?

Some hon. Members: Agreed.

* * *

MOTIONS FOR PAPERS

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, Notice of Motion for the Production of Papers No. 57 in the name of the hon. member

for Prince Albert (Mr. Hovdebo) is acceptable to the government, subject to the usual reservations concerning confidential documents and internal working papers.

I ask that the remaining notices of motions for the production of papers be allowed to stand.

[*Text*]

COPIES OF ALL STUDIES AND COMMUNICATIONS RESPECTING COMPENSATION TO FARMERS FOR LOSSES DUE TO GRAIN EMBARGO

Motion No. 57—**Mr. Hovdebo:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House, copies of all papers, studies, calculations and communications between the Canadian Wheat Board and the Minister of State (Canadian Wheat Board) or any other cabinet minister concerning compensation for Canadian farmers to losses sustained during the grains embargo.

[*Translation*]

Madam Speaker: Subject to the reservations or conditions expressed by the parliamentary secretary, is it the pleasure of the House that Notice of Motion No. 57 be deemed to have been adopted?

Some hon. Members: Agreed.

Motion agreed to.

Madam Speaker: Shall the remaining notices of motions stand?

Some hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

CANADA OIL AND GAS ACT

MEASURE RESPECTING OIL AND GAS INTERESTS

The House resumed, from Tuesday, November 10, consideration of the motion of Mr. Bussières that Bill C-48, to regulate oil and gas interests in Canada lands and to amend the Oil and Gas Production and Conservation Act, be read the third time and do pass.

Mr. Bill Wright (Calgary North): Madam Speaker, when I last spoke to the House about Bill C-48 it was on November 10, and the government did not see fit to continue with this bill until now. It was obviously not very important to the government. Frankly, we would prefer the government not to proceed any further with this bill. It contains some of the worst legislation ever to come before this House.

● (1650)

I had related to the House the effect this measure was having on small business in Canada. I also related that members of the NDP and the Liberal Party stated how concerned they were about small business in Canada. This legislation affects small business and how small business relates to the oil industry. Over the past year many small oil companies have shut down. Many have left for the United States and Australia. Many have gone out of business. All of this is because of the efforts of this government to nationalize the oil industry.

I also related to the House how numerous members from the other side said that we would have energy self-sufficiency by 1990. I mentioned that in 1974 the Prime Minister (Mr. Trudeau) said that we would have oil self-sufficiency in 1980. He said that from 1974 right through to 1980, but we do not have it at this time. Now he says we will have energy self-sufficiency by 1990. This is the same Prime Minister who in 1974 said they had beaten inflation. We all know that inflation has not been beaten.

The Independent Petroleum Association, the Canadian Petroleum Association and the National Energy Board all say that we will not have oil self-sufficiency by 1990, but this socialist Liberal government says we will.

We presently consume 1.8 million barrels a day and produce 1.4 million barrels a day, resulting in a shortfall of 400,000 barrels daily. According to the latest figures, by 1990 our production will be down by 700,000 barrels a day. The government has no means at the present time to recover that shortfall. Technology is not in place to do this and the government knows it. The government will admit this but not in public. They say they will put the technology in place to do that. How can we do that and at the same time allow the oil rigs to leave the country?

We do not have the technology on the east coast, in the Beaufort Sea or in the Arctic, the three areas affected by this bill. All the oil companies are prepared to say is that they are working on it. They worked for ten years in the North Sea to bring in those wells. This government says that within the next few years it will bring in the wells in the Arctic, on the east coast offshore and the Beaufort Sea.

Yesterday representatives of the Independent Petroleum Association appeared before the Senate banking committee. They reported that approximately 256 rigs are drilling in Canada at present, 150 rigs are idle, 180 have left Canada, 34 are under construction and will leave Canada. Of the 620 rigs in Canada, only 256 are drilling.

The ratio of rigs to wells drilled in Canada in one year is approximately 20 to 1. The government is telling us that we are going to drill between 6,000 and 7,000 wells this year compared to the 10,000 which the oil companies and drilling companies told us we could drill in 1981. This is all due to the Canadianization program which the government has backed us into.

We call this program of Canadianization confiscation. Members opposite have repeatedly stood and said that this only pertains to the oil industry. The Parliamentary Secretary to the Minister of Energy, Mines and Resources (Mr. MacLaren) stood in this House and related the special place

which the oil industry has in Canada. He said that Bill C-48, which provides for a degree of government involvement in frontier lands, lands that belong to all Canadians, represents a pragmatic response to a particular set of circumstances.

Last weekend one of the Liberal hit men, Jim Coutts, called for Canadianization of other industries such as mining, forestry, farm machinery, telecommunications and the auto industry. They have been hiding behind this. We have known for a year that this is what they intend to do. All one had to do was talk to members of the staff of the Minister of Energy, Mines and Resources. They will admit privately that it is nationalization, not Canadianization. To go further, last weekend the Minister of Communications (Mr. Fox) urged the government to adopt a national cultural policy similar to the national energy policy, even though the national energy policy has supposedly been shut out with the new energy agreement. However, we know it has just been changed.

On November 3 in a statement in this House, the parliamentary secretary glossed over some of these provisions. He said that the rule prior to 1977 was that if you drilled on any federal lands, you had to give back to the Crown 50 per cent of those lands and they would in turn put them up for bid once again. That was changed in 1977. Those were terrible conditions and the government was going to improve the situation, allowing a person to keep all the lands on which he drilled. The government said it would waive the royalties. In exchange for that, it asked for 25 per cent ownership in everything that is drilled. In other words, a Canadian company or the government must own 25 per cent of all wells drilled.

Along came Hibernia. Where was the government? Canadian companies did not want to get involved, so they approached Petro-Canada. Petro-Canada did not want to get involved in Hibernia, but because of the legislation it had no choice. It was forced to come in—fortunately, hopefully, for Canada in the future. This field will end up to be a very exceptional one in terms of oil fields in Canada.

• (1700)

From 1977 to the present day the Parliamentary Secretary to the Minister of Energy, Mines and Resources skipped over it completely. He never even mentioned this back-in clause of Petro-Canada, this supposedly 25 per cent Canadianization. He glossed over it entirely and stated that they were going from a 50 per cent ratio of Canadian ownership to what we have at the present time, a 25 per cent back-in clause, or confiscation. He does not even know half of what is in this bill, but he is quite prepared to read a statement prepared by the department. That is what he has done in the house most of the time: he is quite prepared to read statements that the department prepare for him. He does not even know the legislation that is in effect at the present time.

With this bill the government says that we will have self-sufficiency by 1990. Where is it? It is certainly not there in their actions. It is certainly not evident in the budget that was just provided. As everyone is aware, the 1980 budget was really a national energy policy that was bootlegged into the House. The 1981 budget has done nothing more than take the heat off the Minister of Energy, Mines and Resources (Mr. Lalonde) and transferred the burden to the Minister of Finance (Mr. MacEachen). Surely most hon. members in the House assumed that the Minister of Finance was too smart to get caught in this bind.

We need to look no further, Mr. Speaker, than at what happened in Toronto last weekend when 1,500 Liberals met to talk about how they would turn this country into a socialist state. And a socialist state they do intend. We have no self-sufficiency plan for Canada. All we have is a housing industry that is falling apart, a forest industry in B.C. that is in desperate straits, a fishing industry on the east coast where 50 per cent of the fishermen are unemployed. Is this the government that will provide benefits for Canada? Will it provide an energy policy that will solve the problems of Canada when it cannot even solve the other problems? It is almost ridiculous the way this Liberal government goes on and on assuming that the Canadian people will keep voting for them because they will give them something around election time.

Many hon. members on the other side will not see this House after the next election. In fact, one can almost start to say goodbye to most of them now. So many of them will not return to this House that if one were to say goodbye to each one of them, it would take a long time.

Certainly many members on the other side are pretty concerned about their seats at the present time because a few people, without consultation with industry, without consultation with the provincial governments, have introduced a bill which will not provide self-sufficiency for this country.

They talk about Canadianization. This back-in clause is nothing but confiscation, Mr. Speaker. I should like to refer, in particular, to one clause, I believe it is Clause 38. Can one believe that the Minister of Energy, Mines and Resources, who heads up PetroCan, is also the arbitrator of any disputes? So if PetroCan and an oil company, in partnership, have a disagreement, then according to the provisions of Clause 38 the matter shall be submitted for arbitration in the manner provided for by order of the Minister. In other words, the minister will decide the means of arbitration and then the minister will arbitrate. Not only that, but when he does arbitrate, under Clause 38 his decision is final and binding on all affected parties. What a ridiculous bill!

As one further studies this bill it gets worse. At times I do feel sorry for some of the members opposite who are prepared to vote for such terrible legislation; they have allowed themselves to become so degraded that they are more interested in the patronage which the Liberal Party has given them over the years and when it tells them that if they vote with the party they will receive more patronage in the future. Unbelievable!

Many hon. members on the other side call themselves Liberals, but this bill is just another rubber stamp on the socialist policies that we have had for 13 years. There are not many members on the other side who are prepared to stand up and call a spade a spade, but that is what it is—socialism. Socialism is the key word for the next election. Do we want

socialism under these members opposite or do we want free enterprise? Do we believe that the individual is supreme or do we believe that the state is supreme?

These socialists on the other side are not building a system or a better Canada; they are tearing it down. How can one say that they are building a better Canada when they put people out of work? Is there any member on the opposite side who is prepared to say that this energy policy is creating more jobs? I ask them to stand up and tell me how many jobs have been created in Alberta in the last year. Tell me how many jobs have been lost in Alberta over the last year? Thousands of them. What member on the other side is prepared to say that not one job has been lost in Alberta over the last year? Stand up now. We have silence, Mr. Speaker, because they are all mutes over there. They are not prepared to stand up on that point.

An hon. Member: The hon. member does not know what to say.

Mr. Wright: The hon. member opposite says that I do not know what to say. All he has to do is look to his right and observe the Parliamentary Secretary to the Minister of Energy, Mines and Resources read a statement prepared by his department and he will find out who knows what to say.

There is no question that this country is worse off today than it was ten years ago. Why do we have inflation today? Why do we have unemployment? The budget does not address the problems of Canada, Mr. Speaker. This bill does not address the problems of Canada. How many Liberals can actually stand up and defend such action? How many are prepared, without a written statement, to stand up and say that this is terrible legislation? Yet, Mr. Speaker, this is the worst legislation that we have ever seen in this country. All of us look forward to new legislation when a Conservative government comes to power to replace the onerous legislation before us at the present time.

• (1710)

Mr. Jack Shields (Athabasca): Mr. Speaker, indeed I am pleased to be here with such a full House to discuss Bill C-48.

An hon. Member: A full House!

Mr. Shields: We all realize the significance of today. Surely this is why so many members are absent. I am sorry the Minister of Energy Mines and Resources (Mr. Lalonde) cannot be here; after all, Bill C-48 is key to his policies.

I have some comments I should like to make. We have been through the amendment stage and committee stage, but I say to the people of Yukon and the Northwest Territories, "Look out, a massive grab of wealth is being perpetrated by the federal government; it is known as the Canada lands." When we talk about the Canada lands, we are talking about Yukon, Northwest Territories and the Beaufort Sea. History clearly repeats itself.

Mr. Tousignant: Oh, oh!

Mr. Shields: The hon. member had a chance to rise to make his comments before the Chair recognized me, but he did not do so. I only ask him to show me a little courtesy; I may say something he will understand. I hearken back to the days when Saskatchewan, Manitoba and Alberta were being carved out of the Northwest Territories.

[*Translation*]

Mr. Tousignant: Mr. Speaker, I would like to point out to the hon. member who is saying we should not rise in the House, that we are not the ones who are moving the amendments, they are, so we do not have to rise.

[*English*]

Mr. Shields: Certainly it is interesting when a backbencher of the Liberal Party rises to say that we are speaking on amendments. We are speaking on the bill. All the amendments have clearly been dealt with.

For a moment I should like to discuss history. We should recognize that Alberta, Saskatchewan and Manitoba at one time were all part of the so-called massive Canada lands, as is the case with the Northwest Territories. At one point they were just territories. When Alberta, Saskatchewan and Manitoba were brought into confederation, they did not have ownership and control of their natural resources. Indeed, there was a rape of the industrial, mineral and resource bases of those provinces until 1930 when the central or controlling provinces clearly recognized that they must give control of natural resources to Alberta, Saskatchewan and Manitoba so that they would be treated in exactly the same manner as any other province in confederation. Clearly members of the government are not learning from the people of the Northwest Territories and Yukon. They are not treating the people who were born and raised in the north, or those who moved to the north, with any degree of foresight. They are robbing those people of their heritage. It is as much their heritage as the heritage of people born in Quebec, in Newfoundland or in Alberta. The problem has not been addressed. It astounds me when I think about it.

All regulatory control of resource development will be the direct responsibility of the Minister of Energy, Mines and Resources. In some minor cases it will be the responsibility of the Minister of Indian Affairs and Northern Development (Mr. Munro). There is a clear conflict. The Minister of Energy, Mines and Resources does not have to account to the people or the governments of the Northwest Territories or Yukon. The Minister of Indian Affairs and Northern Development, where it is applicable, does not have to account to the governments of the people of the Northwest Territories or Yukon. A very serious mistake is being made by allowing Bill C-48 to proceed in its present form. Virtually the people of Yukon and Northwest Territories are being told, "Forget it, you will never have the wherewithal to become a province".

If one has travelled extensively in Canada and in the north, one will realize that a number of things stand out about the people of those areas—their individuality, their strength and their determination to develop the territories in exactly the

same manner that the founding people of Quebec, Ontario and Alberta established their provinces, those immigrants from other parts of the world and those people from other parts of Canada who established and hued out those provinces. The people of the north are exactly the same kind of people. They are still pioneers and they are proud of it. With Bill C-48 they are being told to forget it because the mighty czar of energy, mines and resources will control what goes on in the Northwest Territories and in Yukon, the so-called Canada lands. Also they are virtually being told that they will never be able to carve out a province as did the founders of Manitoba, Saskatchewan, Alberta and British Columbia.

One cannot consider Bill C-48 without talking about aboriginal rights. Effectively it eliminates aboriginal rights in many ways. It undermines the negotiations and the commitment of the federal government. It clearly undermines aboriginal and native rights in the north. If the government is clearly interested in native people in the north, it should come to grips with the problems there; this should be done now. They should make settlements prior to development and prior to the Minister of Energy, Mines and Resources moving in with the discretionary powers that are outlined in this bill.

● (1720)

There is a debt here that has not been paid, Mr. Speaker, and that will become evident when development begins. The signals are there already. The people of the north, the Dene people, the aboriginal people, the Indian people, are not going to allow the uninterrupted development of the natural resources in the territories until they know that they will be treated fairly by the government. That is a warning that we should heed, Mr. Speaker.

Bill C-48 gives very wide discretionary powers to the minister. In committee discussions I put forward what I thought was a logical argument but it fell on deaf ears. I suppose it will fall on deaf ears again today. The minister has wide discretionary powers to decide what oil company, what private consortium, what public consortium, is going to be able to develop this or that area and who is going to get this or that lease. If a find is made, the minister may determine how big that find is. He may say that he wants three more wells to be drilled. The private company that has sunk the hole and found reserves could be at odds with that and say that the find does not justify three wells and would not be commercially viable. The minister could overrule the company and say, "You will drill three more wells; if you do not, we will take the lease away from you." That is the kind of discretionary power the minister has.

I do not think that these are the kind of powers the minister wants. I have not seen any legislation that has passed this House in the short time that I have been here which opens the door to such abuse. There is the opportunity for pork-barrelling, for favouritism, for nailing someone you do not like. The minister has put himself in the position of Solomon and clearly, Mr. Speaker, he is not Solomon.

Bill C-48 has an enormous impact on Canada, not just on the gas and oil industry alone. The enormity of the program was recognized by the minister when he introduced the national energy policy and said that the decisions relate to energy but that they will impinge on almost every sphere of Canadian activity, on every Canadian and on the economic and social structure of the country for years to come. He also said that they would have major and positive implications for the federation itself. I would ask my colleagues to examine that statement and try to digest it in the context of Bill C-48.

I agree with the minister that Bill C-48 has that kind of implication. We are either going to develop into a country with individual initiative, individual thought and the individual gamble that will be rewarded, or else we are going to develop into a country that will cater to the mediocre. We will develop into a nation of enterprise, of individual initiative, or else—and Bill C-48 is a clear indication of this—we will develop along the lines of a socialist state.

During the debate that culminated in the House today, we on this side wanted a very small provision put into the Constitution of Canada, and that is the basic right to own property. The Liberals refused, however. A study of Bill C-48 indicates why they refused. Of course, they were spurred on by their socialist friends in the corner, the little red rump. But at least the people in the corner are honest; they tell us exactly where they stand. They are for government ownership and for socialism—for the mediocre. They say that constantly so at least we know their views. We do not hear that kind of statement from the Liberal benches, however, because they disguise their views, but that is what has happened.

The whole thing is designed so that preferential treatment will be given to the Crown corporation. No compensation is provided for the initiative of an entrepreneur who goes out and finds oil, but there is a 25 per cent back-in provision. That will only pay immediate costs. There are laws in this country that deal with expropriation. Certainly governments can expropriate property, but compensation is paid and there is recourse to the court of appeal. Although there is some provision in Bill C-48 for compensation, there is no appeal provided.

I have already mentioned the discretionary powers of the minister and they scare me, Mr. Speaker. A great deal of time and money has been spent in putting a staff together that has the necessary expertise to develop an oil property. An instance of this is the Hibernia play. No single company could afford to go out to the Hibernia and drill a well offshore. No one company could stand the risk involved and so a consortium was formed.

As many as 22 companies could be involved in a consortium which was drilling only one well. Each company could take as little as one half of 1 per cent of the action or 10 per cent of it, depending upon how much they can risk. But together, the companies determine who will be the over-all operator. They may select Dome because of its experience in the Beaufort Sea, or they may select Petro-Canada as the company having the most knowledge.

Under this legislation however, that will no longer be the case. The minister may determine at any time, with any consortium with which Petro-Canada is involved, who shall be the operator. It does not matter if Petro-Canada has only 1 per cent of the action. The minister may make a determination and say to a company: "You are going to allow Petro-Canada to be the operator." A great deal of time, effort and expense is involved to put the staff with the necessary background and expertise together. It will be absolutely devastating if the operator were removed for political reasons. But that is what we are giving the minister the power to do. Clearly if you do not like the way the operator is running the project, it is the consortium that sits down and says: "We do not want you there. We do not think you are doing it the way the majority of us would like you to do it; therefore, you will be removed." That is not the case with Bill C-48. The Minister of Energy, Mines and Resources and his senior bureaucrats, the mandarins, can determine who is going to be the operator of the consortium if Petro-Canada is part of it. That is total and absolute abuse.

• (1730)

There are national and international implications to Bill C-48. Clearly we have not looked at them. We have not examined the stability of our legislative framework. Clearly we have not looked at the protection of personal property rights. Clearly we have not looked at the sanctity of a contract. But these very things are absolutely necessary if we are to gain a degree of stability in our investment climate in the eyes of our national and international business community. We need investment in this country. But no one will invest in this country, no one from outside Canada will invest, and many in Canada will not invest in their own country without the protection of property rights. People will not invest in Canada if we do not have a legislative framework that gives us stability.

Canada has always through its courts strongly defended property and contractual rights. Canada has been known worldwide as being a safe climate in which to invest because individual rights were protected, corporate rights were protected and property rights were protected. The provisions of this bill violate every one of those concepts.

I urge hon. members across the way to think through this bill very clearly and I ask them once and for all to sit down and read it. I urge them to look at the implications for the people in the Northwest Territories and Yukon, the implications for the native people, the aboriginals and the Dene. But more than that, I tell members across the way to look at what this bill is telling the rest of the financial community in the western world. This bill is telling the financial community very clearly not to invest in Canada because we do not protect property rights and individual rights, nor do we have a legislative framework giving stability. We confiscate in Canada as they do in banana republics. That is what we are saying by passing this bill, so I urge hon. members to think it through clearly.

Mr. F. Oberle (Prince George-Peace River): Mr. Speaker, it may not be an accident that we are discussing this particular bill immediately after the House has just expressed itself on a question of grave and fundamental importance, that of a change in our Constitution.

My hon. friend and colleague who just preceded me made some references to the fact that one should read Bill C-48 if one is to understand some aspects of the Charter of Rights and Freedoms which now, at least in the House of Commons, has been entrenched in the Constitution. It may not be an accident because there were certain aspects of this Charter of Rights and Freedoms which gave me and some of my colleagues from all sides of the House serious and dramatic difficulties, and may I just touch on one.

As you know, Mr. Speaker, one of the major objectives of Bill C-48 is energy self-sufficiency by 1990. What that means is not only massive and costly exploration and development efforts in Canada lands, but massive amounts of money, incalculable amounts. Some say between $300 billion to $500 billion is required to carry this out. Naturally, when one embarks on that kind of effort, knowing the incredible risks involved and the chances that have to be taken to develop new oil, one also knows that little things, such as environmental and human concerns, cannot stand in the way once the bulldozers move into a promising area.

Let me touch on one issue. I shall compare this with what happened in Quebec when that province decided to move with almost indecent haste to develop the James Bay power potential. There were certain environmental concerns that had to be considered. They were quickly bridged, but the people created more of a problem. Most of the people there were native people. Some had to be moved to another area. Some of them were unwilling to go, but there was no time to negotiate. Therefore, some kind of a settlement was legislated. We talked with the native people. We asked them what they wanted. They did not like the price. The native people were told that while the negotiations were going on the bulldozers had to operate. As we know, the native people sought refuge in the courts and obtained an injunction to stop the work. Work on the James Bay development was shot down until an accommodation and a settlement were reached, a settlement of the legitimate rights and a price for which the native people of James Bay asked.

I want to return to the Constitution. We entrenched certain native rights in the Constitution today. They were not the same rights that were in the resolution that emerged from the parliamentary committee, that great exercise that was displayed to all Canadians throughout our country for months on end. That resolution said that native rights should be respected, recognized and affirmed. While it was not perfect, it was a step in the right direction. As you know, sir, the way we have been treating our native peoples in this country is a national disgrace, and it has earned us the condemnation of other countries and of international tribunals. We are being looked at almost like South Africa in the way it is treating its native peoples.

● (1740)

The resolution that came before the House and is now entrenched in the Constitution had a word added to it, and that word is "existing". In other words, only the rights which now exist are recognized and affirmed. It does not matter how many times the Minister of Justice (Mr. Chrétien) says this word really does not mean anything. First of all, he is intellectually dishonest in saying that, in that legislators, particularly the Minister of Justice, are not supposed to be writing words into fundamental laws that have no meaning, unless they are wantonly and deliberately trying to confound the courts. We are not supposed to be writing words into the Constitution that have no meaning. No, the Minister of Justice knows what the word "existing" means and why it was written in.

If we were to apply the new charter with respect to the rights of the native people in the James Bay situation at the time they went to the courts to seek refuge and obtain an injunction, the judges would have had no other way to interpret their demands than to say: "You have no existing rights; your rights have not been established and do not exist, so how can we grant you an injunction on the basis of something you do not have? We have a clear indication from Parliament, from the Premiers of all the provinces, and we assume there will be ratification by the government of the United Kingdom, that the only rights you have are rights that now exist." We know what would have happened. The work would not have been stopped, a settlement would have been legislated and, undoubtedly, it would have been something much less than what the James Bay people finally achieved for themselves.

It may not be an accident because there are other things in this Constitution and some aspects of this charter of rights that are more important because of omissions rather than because of things that are written; for instance, the omission of property rights, which my colleague touched on.

Property rights relate to the right to own and enjoy property, which is the very basis, foundation and beginning of western civilization. It is now a secondary kind of right, it is no longer a fundamental right. It would have been very difficult to do what the minister or his agent, PetroCan, is doing in relation to the Canada lands, if we had written in the Constitution one of the main features of the Diefenbaker bill of rights, and that is the right to the ownership and enjoyment of property, because the companies in the north who have now had their property confiscated would probably have been able to make a claim in the courts on the grounds of the Constitution. Naturally, that is no longer so. The statement my colleague made that members should read Bill C-48 if they are worried about the ominous consequences of what we have done here today is probably quite right.

I have said that the basic principles and objectives of Bill C-48 are laudable enough, and they are two. The first is a greater degree of Canadian ownership. I personally would not like to put a percentage figure on that, but certainly 50 per cent is a reasonable objective, particularly since we had already achieved that Canadian ownership content before we began with Bill C-48. Of course, I have to qualify that by saying that that includes all the energy play and not just drilling, the companies actions and the service sector, which was mainly owned by Canadian companies.

The other component principle or objective is self-sufficiency. Naturally that has to be a main objective, and it is certainly one that my party has pursued very actively with great energy and vigour.

Let us talk about Canadian ownership for a moment. We all know that we have to generate and assemble the kind of capital required to carry out what is necessary to be done in ten years. Not only will we have to find 400,000 barrels a day of new oil by the year 1990, but we have to replace almost one million barrels a day of oil that is now coming from the conventional shallow reserves in Alberta, which in the main will have been depleted by the year 1990. New oil will have to be found to replace that.

We all knew that in order to assemble the necessary capital to carry out these massive exploration and development schemes, the price of energy would have to rise. All of us agreed it simply did not make sense that we should sit in an energy-poor world and charge for our own resources within our own country a fraction of what it was worth in the international world. We also knew that if we were to go closer to the world price, if we were to double the price of gasoline and heating oil, someone in the energy sector, particularly the oil companies, would be making excessive profits—their profits would not be reasonable in relation to the cost of production and the other factors involved.

The oil companies all expected us to bring in a measure that would protect the Canadian consumer and give the companies a direction on how their profits would have to be reinvested. They fully expected that royalties and economic rent would be adjusted so that the government could either tax or charge away through economic rent some of those profits which would have been in excess of a reasonable profit reflecting costs of production.

The oil companies thought the government already had all the tools necessary to do that without confiscating their assets and without actually entering the energy sector itself. We could have adjusted our economic rents, as we do with any other natural resource sector. In the lumber sector, which I know most about, the provincial governments adjust their stumpage rates to reflect the world price of lumber. Whenever the price goes up, stumpage goes up; whenever it goes down, stumpage goes down. Right now in British Columbia, at least, stumpage is at a bare minimum. The companies pay very little for the resource they are taking from the public domain.

The oil companies expected that to happen, but they also knew this could have been done another way. There could have been guidelines and directions on how oil companies' excess profits should be reinvested; in other words, they could not pay them out in dividends, and they could not take them out of the country. We could have said that excess profits have to be put back into development and exploration.

• (1750)

Further to that, the oil companies fully expected that the government would tell them where to explore and develop. This has to happen on Canada lands and they cannot go anywhere where the government does not make proper leases available to them. The government knew that it had all the tools necessary to protect Canadian interests in the energy sector, but it did not choose any of these conventional tools because, to the draftsmen of this bill, Canadian ownership meant government ownership.

I would like to talk for a moment about the way Bill C-48 was drafted. I served on the committee which received this bill for consideration. It contains 85 clauses and it became quite clear, even in the early stages of committee discussion—even before it went to committee—that as soon as the government let it be known what it was about to do, it became quite obvious what some of the consequences of this action would be. Naturally, we came to committee prepared and armed with certain amendments and proposals that we thought would improve the measure and at least restore a degree of confidence that was lost in our ability to manage our resources.

It was an incredible situation and I do not know if there is any precedent for it, but we were told in committee that the government would not accept any opposition amendments of any kind. At the same time, however, the government laid before the committee no less than 115 amendments of its own, none of which redressed some of the more serious aspects of the bill which has now led our energy sector into a serious situation.

The bill was actually drafted by this committee. The bureaucrats were there, sitting around and saying, "If you do not like this, we will move another amendment." There were 115 amendments introduced by the government to approve a bill which should never have come before the committee in the first place. It was obvious that the term "Canadian ownership" meant government ownership and that Petro-Canada was to become an agent of the minister, not to participate in the energy play on Canada lands, but to take over control. Canada lands were identified as our northern territories, the Yukon, the offshore and certain other regions. Petro-Canada was given 25 per cent of every lease in operation on Canada lands.

My colleagues have spoken on this aspect and pointed out that, because of the incredible risks often associated with some of the major development plays in the north, particularly the risks associated with developing new technology, it has been a tradition with the oil companies that whenever the risks get high they seek to share them with their partners in the industry.

For example, we do not yet know how we will bring oil ashore from the Beaufort Sea and how we will protect the infrastructure under the ice pack from scouring and so on. Nor do we know how we will bring Hibernia oil ashore and transport it to the marketplace. That has still to be developed and there are serious risks involved.

Well, these oil companies have a partner now. It is called the governor in council and its agent, Petro-Canada, who will own 25 per cent outright. In most cases, even if it states that Petro-Canada will own 25 per cent, which is not entirely assured, if a company is still below Canadian ownership content of 50 per cent, Petro-Canada will confiscate the rest. But even if it is only 25 per cent, in most cases Petro-Canada will be the major shareholder in the larger plays.

Earlier in the debate I said that we have not yet considered the incredible risks and contingent liability that the minister has placed on the backs of the taxpayers of Canada as a result of this particular action. We are going to be the major players and the major risk-takers in the oil patch. By "we" I am referring the Canadian taxpayers. If it costs approximately $400 billion between now and 1990, it will cost the Canadian taxpayer $100 billion to pay his share in the energy play on Canada lands.

Many people are confused about why our interest rates are so high when at the same time we have such a high rate of inflation. It has never been a mystery to me. When a government is out in the marketplace trying to raise large amounts of capital and pay 2 per cent or 3 per cent above market rates of interest, it is no wonder that interest rates are high. When a government maintains a $13 billion or $14 billion deficit and then goes into the marketplace to borrow money to pay last year's interest, there is no doubt that interest rates will stay high.

Interest rates are one of the key factors of inflation because a businessman who cannot pass his costs of doing business on to the consumer will not stay in business very long. That is why we have both high inflation and high interest rates. It is something which has never been written into the textbooks. That is why economists are shaking their heads in utter disbelief; they do not have a solution to the situation because Adam Smith, Friedman and Galbraith did not write it into the textbooks. They have never had to deal with a government like ours, which taxes the poor and fundamentally changes the way it should behave in the marketplace.

The government is spending $3 billion alone to buy up private companies and the Minister of Energy, Mines and Resources (Mr. Lalonde) says that that is only a beginning. He has not yet actually spent $3 billion because he does not have it, but he has accepted a liability of $3 billion to purchase these two oil companies, which were doing quite well, were producing quite a lot of oil, although they were more active in the retail market than they were in the exploration and development field.

The government does not just want to be sure we are energy self-sufficient by 1990, it also wants to be sure that the Canadian taxpayer has a share in the corner service station. It is incredible to think that the government would go to Petrofina and say that it would like to buy their oil company but that it does not have the money. It told them: "Our credit is good, though, and New York will lend us the money, but we do not want to go to the taxpayers, and tell them what we are about to do and to increase the deficit even further, because

that is such a public thing. What we want is for you to carry the credit."

We are yet to be told, Mr. Speaker, what interest rates the minister has committed us to when he made the Petrofina deal. All we know is that this Belgian company is no longer owner of a Canadian oil company, but it is holding $1.5 billion of Canadian credit. If it were possible to imagine anything like that, it would boggle the mind to consider that that situation will continue until 1990 and that that is the kind of liability which the minister is placing on the backs of Canadians.

I see our servant is reaching for the mace, so may I call it six o'clock, Mr. Speaker?

The Acting Speaker (Mr. Blaker): Order, please. It being six o'clock, this House now stands adjourned until two o'clock tomorrow afternoon.

At 6 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Thursday, December 3, 1981

The House met at 2 p.m.

● (1405)

ROUTINE PROCEEDINGS

[*English*]

THE ENVIRONMENT

SUGGESTED INQUIRY INTO ARCTIC OIL SPILL CLEAN UP—MOTION UNDER S.O. 43

Mr. Tom McMillan (Hillsborough): Madam Speaker, the incompetent and sluggish way the federal government handled a comparatively minor oil spill this past year from the vessel *Edgar Jourdain* at Hall Beach in the Arctic demonstrates the government's complete inability to respond effectively to any kind of oil spill in Canadian waters, much less a major one. I therefore move, seconded by the hon. member for Bow River (Mr. Taylor):

That this House calls upon the government to launch a full public inquiry into the *Edgar Jourdain* incident with a view to overhauling Canada's oil spill clean-up capabilities.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

BANKS AND BANKING

PROCESSING OF SMALL BUSINESS DEVELOPMENT BOND APPLICATIONS—MOTION UNDER S.O. 43

Mr. Gus Mitges (Grey-Simcoe): Madam Speaker, I rise under the provisions of Standing Order 43. The major chartered banks have stated publicly that they have increased funds for the Small Business Development Bond program and one bank has specified that it has increased the fund to $650 million, but as yet there is no evidence that the banks have increased the availability of this money to our farmers and small businesses which are on the verge of bankruptcy. Therefore I move, seconded by the hon. member for Winnipeg-Assiniboine (Mr. McKenzie):

That this House directs the Minister of State for Small Businesses and Tourism to report on the meeting federal officials were scheduled to have with the chartered banks earlier this week, and that he ensure on an ongoing basis the banks honour the commitment to process bond applications immediately in order to prevent any further foreclosures in the hard-pressed farming and small business industries.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

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HEALTH

SUPPORT FOR TREATMENT OF EPIDERMOLYSIS BULLOSA—MOTION UNDER S.O. 43

Mr. Otto Jelinek (Halton): Madam Speaker, on December 1, officials of the Department of National Health and Welfare met with Mr. Pavel Kozak and encouraged him to continue his efforts to establish relations with Canadian physicians in his treatment of epidermolysis bullosa. In view of the fact that this acceptance brings Mr. Kozak's treatment one step closer to being made available to Canadians in Canada, I move, seconded by the hon. member for Portage-Marquette (Mr. Mayer):

That this House recognize and support Mr. Kozak in his efforts to make this treatment for epidermolysis bullosa accessible to scores of Canadians who suffer from this disorder.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Madam Speaker: Does the House give its agreement to this motion?

Some hon. Members: Agreed.

Motion agreed to.

* * *

[*Translation*]

THE NATIONAL ANTHEM

CONDEMNATION OF REFUSAL TO STAND FOR SINGING OF "O CANADA"—MOTION UNDER S.O. 43

Mr. Henri Tousignant (Témiscamingue): Madam Speaker, I rise on a matter of urgent and pressing necessity under the provisions of Standing Order 43.

Whereas more often than not, the words and actions of all politicians are analysed, dissected, and severely and sometimes unfairly criticized by some journalists who behave like blood-

thirsty predators, I therefore move, seconded by the member for Gatineau (Mr. Cousineau):

That the House take this opportunity to repay these people in kind and censure those who cannot be bothered to rise and stand at attention as a sign of respect when the national anthem is sung, as was the case yesterday in this House, and as happens elsewhere on other occasions, in the hope that they will accept this as constructive criticism, just as a politician must accept criticism that is all too often unfair or unjustified.

Madam Speaker: The House has heard the motion proposed by the hon. member. Under the provisions of Standing Order 43, this motion requires the unanimous consent of the House. Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

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[*English*]

FREEDOM OF THE SEAS

BOARDING OF CANADIAN VESSEL BY FRENCH NAVAL OFFICERS—MOTION UNDER S.O. 43

Mr. Mark Rose (Mission-Port Moody): Madam Speaker, I rise under the provisions of Standing Order 43. On December 1, David McTaggert, Canadian skipper of the *Greenpeace III*, a vessel of Canadian registry, was boarded in international waters by officers of a French warship as McTaggert was protesting further nuclear testing in the South Pacific. A similar incident occurred in 1973 at which time Mr. McTaggert was injured, removed from his vessel, and incarcerated by French authorities. The Government of Canada later offered Mr. McTaggert an *ex gratia* payment to espouse his cause.

I move, therefore, seconded by the hon. member for Vancouver East (Mrs. Mitchell):

● (1410)

That once the allegation of boarding is confirmed, our government protest in the strongest possible terms this act of piracy on the high seas, condemn further nuclear testing by France in the South Pacific, and urge that that country become a signatory to a treaty banning further nuclear weapons testing, both atmospheric and underground.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

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UNEMPLOYMENT INSURANCE

EFFECT OF REFORMS ON WORKERS IN ATLANTIC PROVINCES—MOTION UNDER S.O. 43

Mr. Bob Corbett (Fundy-Royal): Madam Speaker, certain reforms to the unemployment insurance program are being promoted by the Minister of Employment and Immigration (Mr. Axworthy). Atlantic Canadians, and particularly the seasonally employed, would be especially hard hit, and there is little doubt that many of these people would end up on welfare as 40 per cent of the saving would come from that region. I move, seconded by the hon. member for Carleton-Charlotte (Mr. McCain):

That this government be instructed to clean up its fiscal fiascos from within and not to take out its blundering ineptness on the backs of Atlantic Canadian workers by forcing them into the nation's growing line-ups to the soup kitchens.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

THE BUDGET

DEMAND FOR ACTION BY GOVERNMENT BACKBENCHERS—MOTION UNDER S.O. 43

Mr. Gordon Taylor (Bow River): Madam Speaker, the Liberal backbenchers in this House gave the Minister of Finance (Mr. MacEachen) a standing ovation after he presented his budget on November 12. The Liberal Party cheered him.

Some hon. Members: Hear, hear!

Mr. Taylor: And what for? Taxing immigrants for sending help to their aged mothers in their homelands, destroying the hopes of farmers who want to sell their land and retire, killing incentive to invest and throwing hundreds of Canadians out of work—that's what for! Therefore, I move, seconded by the hon. member for Simcoe South (Mr. Stewart):

That this House urges the Liberal backbenchers to stop being clones of the Prime Minister and the Minister of Finance and start reflecting the wishes of their constituents and throw this budget into the—you know what.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

HOUSING

SUGGESTION MINISTER REFRAIN FROM ADVOCATING REMOVAL OF RENT CONTROLS—MOTION UNDER S.O. 43

Mr. Neil Young (Beaches): Madam Speaker, I rise under the provisions of Standing Order 43. In view of the predictions of the minister responsible for housing that uncontrolled rents will double by the end of next year, his suggestions to provinces that the removal of rent controls would be viewed with favour by the federal government, and his recommendations to

Canadian families that they make do with orange crates for furniture, I move, seconded by the hon. member for Spadina (Mr. Heap):

That the minister responsible for housing conditions in this country refrain from calling on the provinces to remove the protection of rent controls, an action which would make basic shelter so expensive for many Canadian families that orange crates would become the only furniture that they could afford.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

TOURISM

SUGGESTION MINISTER PURSUE NATIONAL POLICY—MOTION UNDER S.O. 43

Mr. Joe Reid (St. Catharines): Madam Speaker, yesterday the Minister of State for Small Businesses and Tourism (Mr. Lapointe) voted in favour of his government's constitutional resolution because he believed the national interest must prevail over regional or provincial interests. Yet this same minister is prepared to scuttle a national tourism policy, stating, "I have no intention of pursuing a national tourism plan without Quebec." I therefore move, seconded by the hon. member for Simcoe North (Mr. Lewis):

That this House instructs the Minister of State for Small Businesses and Tourism to work consistently in the national interest and, specifically, to pursue a national tourism policy with or without the support of any province or territory.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

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THE BUDGET

CALL FOR WITHDRAWAL—MOTION UNDER S.O. 43

Mr. Lloyd R. Crouse (South Shore): Madam Speaker, I rise under the provisions of Standing Order 43. In view of the fact that the budget affects Canadian taxpayers' cash flow, their insurance and retirement planning, their investment preferences, and places severe restrictions on the amount of retiring allowances available to the average Canadian worker that can be placed tax free into registered retirement savings plans for the future protection of their families, I move, seconded by the hon. member for Fundy-Royal (Mr. Corbett):

That the present budget be withdrawn.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

● (1415)

RAILWAYS

HONOURING OF COMPANY PASSES—MOTION UNDER S.O. 43

Mr. Les Benjamin (Regina West): Madam Speaker, under the provisions of Standing Order 43 I rise on a matter that is urgent and pressing. In view of the fact that the right to travel on company passes has been part of the wage and pension package of railway workers, and since the railway companies and VIA Rail no longer honour the passes of retired CN employees in western Canada on the sole remaining western transcontinental passenger train, which goes over CPR tracks, I move, seconded by the hon. member for Winnipeg-Birds Hill (Mr. Blaikie):

That the Minister of Transport direct the railway companies to honour all passes on VIA trains and that the minister require Canadian National and Canadian Pacific to compensate VIA Rail fully for the cost of transporting their pass holders.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

ADVICE TENDERED BY GOVERNOR OF BANK OF CANADA

Hon. Michael Wilson (Etobicoke Centre): Madam Speaker, my question is for the Minister of Finance. I trust that the gathering of the clans in Scotland was more pleasant than the reception he received on his return to Canada. Governor Bouey of the Bank of Canada has for some time been pressing to have the government adopt a tougher fiscal policy. We have a classic example of bad timing in this latest budget because the government is now increasing tax revenues by 31 per cent and Mr. Bouey is saying he is going to continue the high interest rate policy just as we are going into the deepest recession we have had in 30 years. Will the minister explain why, after years of ignoring Mr. Bouey, he has chosen to increase taxes by 31 per cent and push us more heavily into a recession and heavier job losses?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I thank the hon.

member for mentioning the fact that I had an opportunity to visit in St. Andrew's, Scotland, and to celebrate St. Andrew's Day in that historic city. The welcome I received when I got back was as warm as the welcome I received in Scotland.

Some hon. Members: Hear, hear!

Mr. MacEachen: The hon. member has asked a very complex question about the budget strategy. It is all laid out in the budget speech. The hon. member knows that in an effort to reduce interest rates, and in an effort to counter inflation, I took some very substantial actions to reduce the deficit over the next year. If he will look at a recent speech made by his leader before the budget, that was the very prescription which he offered.

I am attempting in the budget to recognize that the underlying problem in the Canadian economy is high interest rates and high inflation. Until we get a better grip on both these problems and get further downward movement, then the prospect of resuming growth in the economy will be very bleak indeed. I ask the hon. member to take more than one or two months' outlook, to take a rather longer-term outlook and understand that the basic purpose of this budget is to restore the conditions for growth and job creation in the country.

RESPONSIBILITY FOR POLICY

Hon. Michael Wilson (Etobicoke Centre): Madam Speaker, having been away from the House for six of the last eight days, the minister probably has not had a chance to get caught up on what is going on in this country. I want to ask him a question that is very pertinent. On Tuesday in this House, while he was away enjoying Scotland, the Prime Minister made the statement that this was a stimulative budget, that it was going to stimulate employment in this country. The minister has said quite clearly that it is a deflationary budget. Will he explain to the House who is right? Who is calling government policy? Is it a stimulative budget as the Prime Minister stated, or a deflationary budget as stated by the Minister of Finance?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, the hon. member must realize that he has been among the strongest critics of the rate of increase in government expenditures. He has used the incorrect figure that there is a more than 20 per cent increase in the rate—

Mr. Wilson: Twenty-two per cent.

Mr. MacEachen: He has used more than a 20 per cent rate of increase in annual expenditures. The rate is lower than that.

● (1420)

An hon. Member: It is your figure.

Mr. MacEachen: If we take the test of rate of growth used by the former minister of finance, it is quite considerably less.

Mr. Clark: But is it?

Mr. MacEachen: I would suggest if the hon. member were to look at the expenditure cutting that has taken place in the United States, for example, or if he were to take a look at the expenditure cutting that has taken place in the United Kingdom, then he would find that the comment of the Prime Minister is rather relevant.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

REQUEST THAT MINISTER CONSIDER CREATION OF JOB-PROMOTIONAL PROGRAMS

Hon. Michael Wilson (Etobicoke Centre): Madam Speaker, that answer is straight out of the Highlands of Scotland.

Some hon. Members: Hear, hear!

Mr. Wilson: I think that the minister might have been taking a little too much of what was in the Highlands of Scotland when he was over there.

Some hon. Members: Oh, oh!

Mr. Wilson: The minister talks of restraint. The only restraint is on those in the private sector who are paying higher taxes, who are suffering under high interest rates and who have seen many of the job-promotional tax incentives removed by the budget. These are the taxes that are financing the 22 per cent increase in spending about which I have been talking. I challenge the minister in Committee of the Whole to debate that point with me.

Because this is a recessionary budget, what measures is the minister considering in order to offset the deflationary impact of the budget and to create some job-promotional programs which will face the very serious problem of recession in this country?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I thank the hon. member again for giving me such a high compliment on my last answer by saying that it came straight from the Highlands of Scotland. That is a pretty good mark, as far as I am concerned.

Some hon. Members: Right on.

Some hon. Members: Hear, hear!

Mr. MacEachen: Madam Speaker, I cannot make up the hon. member's mind for him during question period. He has to make up his own mind.

Mr. Wilson: I have.

Mr. Clark: We have.

Mr. MacEachen: And the members of his party have to make up their minds and decide whether they want a policy that is geared now to winding down inflation—

An hon. Member: It is your policy we are after.

Mr. MacEachen: —and high interest rates. Do they want that? Or do you want a stimulative budget? Do you want to add massively to the deficit? Do you want to increase interest rates further and cause further stagnation in the economy?

The problem with the hon. member's questions, Madam Speaker, is that they arise from a total lack of any policy with respect to the current situation.

Mr. Clark: They quote the Prime Minister.

Mr. MacEachen: It is one day increase spending, and the next day it is reduce the deficit.

Some hon. Members: Hear, hear!

* * *

HOUSING

QUERY RESPECTING ADVICE TO BE GIVEN BY MINISTER

Hon. James A. McGrath (St. John's East): Madam Speaker, I should like to direct my question to the minister responsible for housing. I can assure the Chair that it has to do with a situation for which the Minister of Finance is responsible, and that is the serious housing crisis in the country. Apart from the advice that he gave to young people in the Atlantic provinces to make do with orange crates for furniture and to lower their expectations to that which existed over two decades ago, and apart from the advice that he had for the provinces to reduce rent controls, may I ask the minister responsible for housing what advice does he have for Canadians who are facing a 20 per cent increase in housing costs, who are facing a 50 per cent decline in housing starts, and who are facing zero vacancy rates? What advice does he have for Canadians as they move into next year with the worst housing crisis in this country since the Second World War?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, yesterday I indicated that in the last week or so I had the opportunity to exchange views with the ministers of housing from the various provinces and with the Premier of Manitoba. In that exchange I had the opportunity of pointing out the details and provisions of the Canada mortgage renewal plan in the budget. I had the opportunity of working with the provincial ministers and getting their views on the budget provision to increase rental assistance through the rental stimulus program in the budget, and to explain to them how the $350 million allocated over the next two years in the budget would assist housing across the country.

● (1425)

REQUEST FOR EXPLANATION FROM MINISTER

Hon. James A. McGrath (St. John's East): Madam Speaker, perhaps the minister would explain to the House what he meant when he advised the young people of the country to make do with orange crates as furniture and to lower their expectations. I think the House is entitled to an explanation from the minister responsible for housing, as are also the 80 families in the Mississauga-Toronto area who are being evicted by CMHC in order that the corporation may take advantage of the shortfall in the market which the minister and the corporation created. Perhaps he could explain that to us as well.

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, on the last question first, I would be delighted to explain the point. I appreciate that in the former government the hon. member was responsible for another portfolio. It was not housing; I believe it was fisheries. With his responsibility to the House as critic for housing, he should have looked at the records and should understand that it was the government of which he was a member and that it was the minister of housing of that government, who sits two seats away from him today, who authorized the policy, the acquisition of the project, and the sale of those 80 units.

Mr. Blenkarn: But you are doing it.

* * *

FEDERAL PROVINCIAL FISCAL ARRANGEMENTS

EFFECT OF CHANGES ON HEALTH CARE SCHEMES

Mr. Bill Blaikie (Winnipeg-Birds Hill): Madam Speaker, my question is directed to the Minister of Finance. Having shared the low road with the opposition finance critic, I hope he will take the high road and answer my question. Last week I had the opportunity to question some of the minister's colleagues about the proposed cutbacks in federal transfer payments to the provinces.

The minister should be aware that changes in hospital policies were announced yesterday by the Ontario health minister, Dennis Timbrell. As a result of these changes there will be fewer and fewer beds available to those without private health insurance, thus foreshadowing the creation of a two-tier health care system in Ontario—one for the affluent and one for the poor. In our view this is but a bad foretaste of things to come in some other provinces. How does the minister square yesterday's announcement with the impression he likes to give that health care will not be adversely affected by the cutbacks proposed in the budget?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I have no difficulty repeating what I have said in the House before, and what I have repeated before the finance ministers. Under the new proposals which I have made to the provinces, the expenditures or the transfers to the provinces will increase each year in phase with increases in federal expenditures.

Miss MacDonald: It is still a cutback.

Mr. MacEachen: I see no justification, on the basis of the projections which I have put forward, for a cutback in medi-

care or hospital insurance. If a province wants to take a step along those lines, it is the business of the province. But to blame it on the federal government is just an old political trick, to which the hon. member must have become accustomed over the years.

ACTION TAKEN BY PROVINCE OF ONTARIO

Mr. Bill Blaikie (Winnipeg-Birds Hill): Madam Speaker, the minister will have to think twice if he thinks the culpability of the federal government for the erosion of medicare will be forgotten in this corner of the House. In the budget paper of November 12 entitled "Fiscal Arrangements in the Eighties—Proposals of the Government of Canada", the minister expressed the intention of the government to clarify "basic principles or national standards for medicare". My question is simple. Does the Minister of Finance regard this latest step by Ontario, in which the use of user fees for hospital care is being greatly encouraged, as a step back from the standards he intends to negotiate with the provinces and, if so, what will he do about it?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I should like to mention to the hon. member that in the proposals which I have put before the provinces it is intended that the Minister of National Health and Welfare will have discussions with the provinces with respect to program conditions over the next year. Also it is indicated in the same document that the Secretary of State will have discussions with the provinces with respect to post-secondary education. It will not be the Minister of Finance who will be responsible for discussions on program standards in the health field, or for the determination of national objectives in the field of post-secondary education. These matters will be dealt with by the program ministers.

● (1430)

NATIONAL MEDICARE STANDARDS

Mr. Bill Blaikie (Winnipeg-Birds Hill): Madam Speaker, the document to which I referred is part of the budget papers brought down by the Minister of Finance. I have a further question for the minister about the clarification and enforcement of national standards for health care in Canada.

Can the minister tell the House, and through the House tell all those Canadians who are rightly concerned about what they see as the erosion of medicare, whether he supports the position taken by the Minister of National Health and Welfare that the elimination of extra billing by physicians should be made a requirement for full federal funding of medicare? If he does support this position, why is there no mention of extra billing or, for that matter, of any other concrete problem in the medicare system, such as user fees, as objectives in that section of the budget concerned with national standards for medicare?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I think the answer is fairly clear. There is no detailed outline of program standards because that particular subject matter will be discussed between the Minister of National Health and Welfare and her provincial counterparts. It will be her responsibility to lay out her proposals to them which, obviously, will be the proposals of the Government of Canada.

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PENITENTIARIES

TRANSFER OF INMATES FROM QUEBEC TO INSTITUTIONS IN OTHER PROVINCES

Mr. Jacques Guilbault (Saint-Jacques): Madam Speaker, I have a question for the Solicitor General. I would like to ask the minister whether it is a new policy of his department to make sure that inmates serving sentences in penitentiaries in Quebec will have more difficulties from now on receiving visits from their relatives? My question stems from the bad news released today to the effect that some inmates presently kept at the Ste-Anne-des-Plaines Penitentiary would be transferred to far away institutions in other provinces. What is the minister going to do to make sure that this does hot happen?

Hon. Bob Kaplan (Solicitor General): Madam Speaker, as the House knows, we are moving toward full capacity in the maximum and medium institutions in the province of Quebec. This is the reason that I approved, and that the government approved, the construction of two new institutions in that province. I am aware of the policy that, in view of the overcrowding, some inmates should be moved from the province of Quebec to adjoining provinces. The criteria being used were brought to my attention for the first time this morning, and I must say that they seem unfair to me. I am looking them over and, if a more fair way can be found to decide which inmates should be moved, a more fair way will be followed.

* * *

THE ECONOMY

REQUEST FOR FORECAST OF WINTER UNEMPLOYMENT RATE

Hon. Flora MacDonald (Kingston and the Islands): Madam Speaker, I should like to direct a question to the Minister of Finance. There are well over one million Canadians unemployed today. This figure upsets all the minister's forecasts for unemployment, and the budget is only making things worse. The minister is reported as having said recently that he must ignore the country's unemployed in order to continue his fight against inflation. I would say that is just heartless.

How long will the minister continue to ignore and condemn thousands of Canadians to a winter of unemployment before he changes his restrictive budget policies? Specifically, can the minister tell us what the jobless rate will be for this winter? does he have an estimate for the jobless rate this winter?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I would be the last

person in the House to suggest that I would ignore the plight of the unemployed, because I deeply believe that the creation of jobs and economic growth must be the long-term objective, and because I believe that the main obstacle to economic growth and job creation in the country at the present time is the high inflation rate. It is because of these considerations that I have established the policy contained in the budget. My objective is to create the conditions that will provide jobs in the country.

The estimate of unemployment for this year is laid out in the budget papers. I could get that statistic, but it is available to the hon. member in the budget papers.

Mr. Clark: It is already out of date.

Miss MacDonald: Madam Speaker, the budget figure that the minister refers to is already out of date and he should know that, or he knows far less about the economy than even he professes. The figure in the budget papers is 7.2 per cent for this year and 7.8 per cent for next year, but unemployment is already running at 8.3 per cent. That is why I thought the minister had some new estimate. Perhaps he should stay at home more often and we could get these answers.

EFFECT OF TAX CHANGES CONTAINED IN BUDGET

Hon. Flora MacDonald (Kingston and the Islands): Madam Speaker, I should like to pose another question to the minister which refers to the analysis of the budget made by the Canadian Council on Social Development. The Council says it is a budget which takes from the wealthy and gives to the rich, and points out that taxpayers in the $50,000 to $75,000 bracket will receive an additional gain of some $85 million this year, whereas homelessness and personal bankruptcy can be expected to rise as inflation continues to erode the already meagre purchasing power of single parents, the elderly, the disabled and working poor. I want to ask the minister why he has chosen to fight inflation on the backs of single parents, the elderly and the working poor, when he is prepared to give $85 million to those in higher income brackets.

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, the hon. member has suggested that I ought to stay at home. I think the trick is to decide when to be away, and when to be at home. She has never learned that trick, because she was away at a rather crucial time.

Some hon. Members: Oh, oh!

Mr. Clark: The word "trick" is operative. No one doubts your trickiness, Allan.

Mr. MacEachen: Madam Speaker, the fact of the matter is that the tax increases—

Mr. Clark: Try another trick.

Mr. MacEachen: —that are taken into effect in the budget come mainly from high income earners in the country. We have provided tax decreases for a wide range of taxpayers. Less than one million taxpayers will have increased taxes and a large proportion of them will be in the high income brackets.

We have also restructured the federal tax credit in order to flow substantial benefits into the 1.5 millions low-income families in the country.

Mr. Clark: Try another trick.

Mr. MacEachen: That is the purpose of the budget, not the distorted account that the hon. member is giving in her question.

* * *

[*Translation*]

THE BUDGET

QUERY RESPECTING MEASURES TO PREVENT CLOSURE OF INDUSTRIES

Hon. Roch La Salle (Joliette): Madam Speaker, my question is also directed to the Minister of Finance. Considering the minister's replies, it is clear that the situation during the next six or twelve months will probably be worse than it is today, and if I understood correctly, the minister has acknowledged that his budgetary measures can do nothing in the short or medium term to remedy the situation. The minister is also aware that thousands of companies and industries are shutting down, thus putting thousands of people out of work. I should like to ask the minister whether he has an estimate of the number of industries that are experiencing problems at the present time, and that will be obliged to shut down within the next six or twelve months, and if so, on the basis of his projections and estimates, what measures does he intend to introduce in order to prevent more industries from causing irreparable harm, as is the case at the present time?

• (1440)

[*English*]

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, the government is constantly assessing what measures might be taken to assist in the development of the economy. My colleague, the Minister of Industry, Trade and Commerce, has recounted, time and time again, the various steps which have been taken to assist affected industries. I would tell the hon. member that, when further new measures are developed, they will be announced in the usual way.

[*Translation*]

INQUIRY WHETHER NEW BUDGET WILL BE PRESENTED BEFORE CHRISTMAS RECESS

Hon. Roch La Salle (Joliette): Madam Speaker, I have a supplementary. It is clear the minister admits that his budget cannot meet the present needs of Canadians, including construction, homes and the needs of farmers. Estimates and critical reports to prove this have been received—as the minister is no doubt aware—from various sources. In the circumstances, to reassure the people of Canada who are bearing this burden and are anxious about the future, can the minister inform the House whether he intends to table a new budget before the holidays or at the beginning of next year, considering that his budget and budget policy have failed abysmally?

[*English*]

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, the hon. member obviously failed to notice in the budget a very substantial measure for housing in the country—

Some hon. Members: Oh, oh!

Mr. MacEachen: —which will contribute to the construction of rental—

Mr. La Salle: Big farce, Mr. Minister!

Mr. MacEachen: —housing in Canada and will ensure that no Canadian home owner will lose a home because of high interest rates. As the hon. member noticed, that—

Mr. Clark: It is false.

Mr. MacEachen: —particular series of provisions affects housing. I could go on and add that, concerning agriculture, we have ensured, through the Farm Credit Corporation, a program which will substantially reduce—

Mr. La Salle: Fifty million! They need $500 million!

Mr. MacEachen: —the interest rate for farmers who are in financial difficulty. We have targeted that program in accordance with the requests of the Minister of Agriculture and others who were zealously concerned about ensuring that those farmers in financial difficulty would be protected.

Mr. Clark: It's your fault, Gene.

Mr. MacEachen: That is precisely what we have done in the agricultural sector.

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INDUSTRY

CONSOLIDATED COMPUTER INC.—SCOPE OF GOVERNMENT INVESTIGATION

Mr. Mark Rose (Mission-Port Moody): Madam Speaker, my question, which is directed to the President of the Treasury Board, deals with his announcement last week concerning an investigation of Industry, Trade and Commerce involvement with Consolidated Computer Incorporated of Ottawa. We now know, through the committee and the appearance of the Minister of Industry, Trade and Commerce, that over the years the taxpayers of Canada took a record $125 million bath on the government's involvement in this high tech loser. I wonder whether the minister could explain to the House how he expects the people of Canada to believe, in view of the record of the secrecy and inept management of the government on this matter, that any kind of full accountability or full disclosure will result if the government investigation is limited to some sort of in-house navel gazing.

Hon. Donald J. Johnston (President of the Treasury Board): Madam Speaker, it is not a case of in-house navel gazing. I think the ministers of the Treasury Board decided it would be their responsibility to conduct an investigation into the affairs of CCI to try to determine what led to the position in which the government now finds itself. I have said that I have no objection to having the results of that investigation made public, and there may be other avenues which should be explored. I understand that the other night, before the committee, there was some suggestion that another form of inquiry should be made. Perhaps the chairman of the Public Accounts Committee might look into it. We are all anxious to get at all the facts.

REQUEST THAT AUDITOR GENERAL ASSIST IN INVESTIGATION

Mr. Mark Rose (Mission-Port Moody): I am pleased to hear the response of the minister. I think he is aware that some very serious allegations have been made concerning the government's involvement in this company, such as cooking the books to disguise a growing debt during the—

Some hon. Members: Shame!

Mr. Rose: —the seventies and eighties. The federal government ended up paying a disproportionate share, compared to the government of Ontario, of the debt that this company built up over the last few years. Government actions over the last few years have been based on delay of disclosure rather than managerial logic. Since the minister suggested that the Public Accounts Committee might suggest a further or different kind of an investigation, would the minister support a Public Accounts Committee request or motion that the Auditor General's department, a body which is independent of the government, be asked to assist in the investigation of this shameful waste of taxpayers' money?

Some hon. Members: Hear, hear!

Hon. Donald J. Johnston (President of the Treasury Board): Madam Speaker, I would imagine that the Auditor General has been fully apprised of the circumstances of CCI and will undoubtedly be conducting his normal investigations as the Auditor General of Canada. I reject any suggestion of

wrongdoing or anything else, for that matter, at this stage. I think this is a matter which merits investigation.

I appreciate the hon. member's concern. He may be concerned that this looks like it was conceived and managed by the policies of his party. That is not the case, either. We are trying to get at the facts, and we will.

Some hon. Members: Hear, hear!

* * *

HOUSING

REQUEST THAT MINISTER REPLY TO ALLEGATION CONCERNING RENT CONTROL REPRESENTATIONS

Mr. D. M. Collenette (York East): Madam Speaker, my question is directed to the minister responsible for housing. On November 30, in a question directed to the Prime Minister, the Leader of the NDP alleged that the minister responsible for housing recently asked the new Manitoba government to abandon rent controls. I would like to ask the minister whether or not this allegation is true, or whether this is another example of opposition hyperbole and distortion.

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, again, I am very pleased to have the opportunity to answer that question—

An hon. Member: I'll bet you are!

Mr. Cosgrove: —because, indeed, the allegation or statement by the Leader of the New Democratic Party was, at best, inaccurate. I would like to indicate to the House that I have met with Premier Pawley and with the other housing ministers, and we have discussed the initiatives in the federal budget. It was after that that Premier Pawley raised the question of rent controls because his government was contemplating introducing the same. However, I would say that, from his discussion of his program, he took into account not only the concerns of renters, but also the concern of renters when it comes to rehabilitation of buildings, the concerns of young people who are coming into rental accommodation, and concern about the dampening effect of any legislation. My impression was that the premier, taking all of those things into account, would come up with the kind of regulation or rent control from which I think all provinces might have something to learn.

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THE BUDGET

CANADA MORTGAGE AND HOUSING CORPORATION ADVERTISEMENT—TIMING OF DISTRIBUTION

Mr. Tom Cossitt (Leeds-Grenville): Madam Speaker, my question is directed to the Minister responsible for housing. On previous occasions he told us he was unaware of what was in the budget pertaining to housing until just before the budget was introduced, and that Canada Mortgage and Housing Corporation only worked on budget advertising after the minister became aware of budget provisions. How does he explain the fact that Graphic Artists Studio S&B, 400 St. Antoine Street West, Montreal, was given details of budget advertising from CMHC on the Monday before the budget? I have in my hand a Purolator slip showing that Studio S&B were the senders of the questionable ad, in this case to the Cobourg *Daily Star* for Vickers and Benson.

Will the minister confirm to the House that what actually happened was that the distribution of the advertising started at 6 p.m. the night of the budget, two hours before the budget was brought down? Will he tell us whether he misled the House, or whether his actions were due to total incompetence?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, the brief answer is that no person was aware who was not authorized and under normal budgetary security—all employees or civil servants in the employ or control of the federal government, no person beyond those was aware—

Mr. Beatty: They were not civil servants.

Mr. Munro (Esquimalt-Saanich): Mr. Vickers or Mr. Benson?

Mr. Cosgrove: —or had in their possession the particulars of the ad which, I repeat, contained two things, an "attention" to home owners, and a phone number to call for particulars of the mortgage renewal plan.

QUERY RESPECTING PREPARATION OF ADVERTISEMENT

Mr. Tom Cossitt (Leeds-Grenville): I realize that it would be unparliamentary to say that the minister was purposely misleading the House. However, I draw to his attention the fact that it was confirmed to me by Mr. Peter Crombie, Vice-President of Canada Mortgage and Housing Corporation, that what the minister has just said is not according to fact.

I would ask the minister whether he is prepared to change the version of the story he has just told us, and whether he is prepared to admit to this House the fact that CMHC obtained details from the Department of Finance on the Monday before the budget, perhaps not all of them, but some which were in the budget pertaining to housing; that they gave this material immediately to Studio S&B in Montreal, where four or five employees of that particular organization were fully aware of budget provisions three days in advance, and subsequently, during that time, drew up the advertisement in question. Certainly he is incorrect in telling the House that the ad was only started after he heard what was in the budget during budget afternoon.

Will the minister admit that he has misinformed this House? If he has, will he resign and get out for someone who is competent?

Mr. Paproski: Just tell the truth.

Mr. Nielsen: Stand clean.

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, I will stand by my previous answer today and on other occasions in this House. I would say to the hon. gentleman that the employee he is referring to, Mr. Crombie, was in a lockup prior to the budget and he was there until the normal time when the media and all authorized people in that lockup were released.

* * *

● (1450)

AGRICULTURE

MINISTER'S SUPPORT FOR BUDGET

Mr. G. M. Gurbin (Bruce-Grey): Madam Speaker, my question is directed to the Minister of Agriculture. With the continuing deterioration of economic conditions for farmers across Canada, and with the net negative impact of the budget on agriculture, Canadian farmers are asking and wondering what the Minister of Agriculture has been doing for the last two years of Liberal government. The Minister of Agriculture has been hanging over both sides of the farm gate for some time on this issue and I think it is time to take a position. I would like to ask him whether at this time he supports the government's budget and, second, will he bring forward to the House the details, in general or in specifics, of the program he says he has in his back pocket now? When can farmers expect effective leadership from this minister and this government?

Hon. E. F. Whelan (Minister of Agriculture): Madam Speaker, the hon. member knows full well that the farmers who have taken advantage of the government's programs which have been presented by this government and this minister are not the ones he is talking about. The ones he is talking about are the ones whose leaders refused to enter into those programs, that is, those producers who are in dire straits at the present time and in need of help. There has been help provided in the budget for these farmers. Under the Small Business Development Bond, unincorporated farmers can borrow. There is no limitation on the amount of money banks can lend under that program.

Having regard to the other program he refers to on marketing, he knows full well that the leadership provided in his own area through the Ontario Cattlemen's Association, associated with the Canadian Cattlemen's Association, have a plan they want to discuss with their national organization before they present it to me. I think it is only fair that the one I have should wait until I see what they are going to present to me. We cannot continue to wait forever, and I agree with the hon. member on that. If they do not present something to us pretty soon we will present our plan to the hon. member and to everyone else who wants to see it.

The House of Commons committee on agriculture has asked that we have a meeting in camera. We are considering at the present time whether that could be within the rules and regulations by which the committee is bound. We want to decide whether we can do that kind of thing in a committee of the House of Commons. The members of that committee could look at the situation to see what they think of it, and perhaps make improvements, recommendations, etc., and I am willing to listen to them at any time.

REDUCTION IN INTEREST RATE PAYMENTS MADE BY FARMERS

Mr. Charles Mayer (Portage-Marquette): Madam Speaker, my question is also directed to the Minister of Agriculture. Canadian farmers know that before the budget the Minister of Agriculture left the impression in the agricultural community that he would resign if there was not any assistance forthcoming to farmers in the November 12 budget.

The Minister of Finance, in a previous answer to a question asked by my colleague from Quebec, mentioned that the budget reduced substantially the interest payments made by farmers through the Farm Credit Corporation. The minister should know that the reduction amounts to an average of $15 per farmer at a time when interest is amounting to about $7,000 on average. I should like to ask the Minister of Agriculture if he is satisfied with that figure. If he is not satisfied but remains in the cabinet and does not resign, he is then saying by implication that $15 per farmer in terms of assistance through the Farm Credit Corporation, which the Minister of Finance says is substantial, is satisfactory and he is happy with that. We know the minister is trying, but surely we can expect better results than $15 per farmer.

Hon. E. F. Whelan (Minister of Agriculture): Madam Speaker, this all depends on how the hon. member figured out the $15 per farmer. Those farmers will be able to obtain those loans at an interest rate of 11.75 per cent. They will be in a position to have a moratorium, if necessary, on those loans, etc., and that type of thing. In addition, hon. members always forget about how much money has been given to farmers interest free. Under the Wheat Board through advanced grain payments, the farmers have already received over $200 million interest free, and through advanced payments on other crops they will receive $136 million interest free. When they say we are doing nothing they are trying to get across the wrong impression. This government is doing more than any other government in all the world, in any free society that I can think of, for agricultural producers, and we have some of the best programs of all.

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EXTERNAL AFFAIRS

EL SALVADOR—CANADIAN POSITION ON POSSIBILITY OF NEGOTIATED SETTLEMENT OF INTERNAL CONFLICT

Mr. Bob Ogle (Saskatoon East): Madam Speaker, my question is for the Secretary of State for External Affairs. Because time is passing very rapidly and the proposed election in El Salvador is coming closer each day, I understand the

minister will soon meet with a representative of the Democratic Revolutionary Front, which I would say is the opposition in El Salvador. If that is true, will the minister please explain to the House what expectations he has for the possibility of a negotiated settlement in El Salvador at this meeting, and at the same time will he please explain what amendments he would like to see in the resolution now before the United Nations so that he could support that resolution?

Hon. Mark MacGuigan (Secretary of State for External Affairs): Madam Speaker, the hon. gentleman asks a number of questions. I am not sure I can answer them all very fully in one reply. I would say that we are hopeful we will have a reply from the El Salvador government to our *démarche* within a comparatively few days because, of course, we have suggested a process of meeting between the government and the FDR in El Salvador, and I have agreed to see representatives of the FDR at their request to discuss our *démarche*.

With respect to the vote in the United Nations, which I understand will take place this afternoon, the sponsors have shown themselves unwilling to accept any amendments. I do not anticipate that any will be made, and I do not anticipate that we will, therefore, support the motion.

FUTURE CANADIAN ACTION

Mr. Bob Ogle (Saskatoon East): Madam Speaker, I would just like to ask again what the minister would have wanted in an amendment that he could have supported and, second, will he be willing to work with those people who do support an amendment so that negotiations of some kind will occur?

Hon. Mark MacGuigan (Secretary of State for External Affairs): Madam Speaker, one of the most serious problems with the motion as it is presently posed is that it interferes with the domestic affairs of El Salvador. I can assure the hon. member, as I would assure hon. members at any time, that we will certainly be prepared to work with any parties in the search for peace in any part of the world.

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THE BUDGET

CMHC ADVERTISEMENT—REPORTED STATEMENT MADE BY CORPORATION VICE-PRESIDENT

Right Hon. Joe Clark (Leader of the Opposition): Madam Speaker, my question is supplementary and it is to the minister responsible for housing. The minister will know that Mr. Peter Crombie, the vice-president of CMHC, has told a member of this House of Commons that four or five people from a printing house in Montreal called S&B, were called in by the government before the budget and given information which subsequently appeared in the budget. I wonder if the minister will either confirm or deny that what Mr. Crombie said was the case?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, from past experience regarding simple suggestions of conversations of members opposite with employees of Canada Mortgage and Housing Corporation or other people about protestations or allegations, I have found that at times they are less than factual, and I would be very reluctant to respond to such a question without having the particulars of it and having an opportunity of talking with those officers.

REQUEST FOR MINISTERIAL ACTION

Right Hon. Joe Clark (Leader of the Opposition): Madam Speaker, the minister earlier said categorically that only public servants had been involved in the reading or in the exposure of this budget information before the budget presentation. He said that categorically in this House. Now he is admitting he is not sure because he wants to check to see whether the four or five individuals from S&B were involved. Will the minister undertake to inquire today whether or not Mr. Peter Crombie made this statement that there were four or five representatives of S&B, not public servants, who were involved? Will he inquire whether those four or five people were sworn to secrecy, as outsiders were sworn to secrecy in the Walter Gordon budget, and will he then report to the House of Commons. And if, in fact, there was information made available to people who were not public servants, information which subsequently became part of the budget, will the minister agree to conduct a full parliamentary inquiry into all aspects of this matter?

• (1500)

An hon. Member: Let the truth come out.

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, the answer is no.

Some hon. Members: Oh, oh!

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PRIVILEGE

MR. COSSITT—REPLY OF MR. COSGROVE ALLEGED MISLEADING

Mr. Tom Cossitt (Leeds-Grenville): A question of privilege, Madam Speaker. From the statements which this House has just heard, I have no alternative but to say that the minister has deliberately misled this House.

Some hon. Members: Oh, oh!

Madam Speaker: I must ask the hon. member for Leeds-Grenville (Mr. Cossitt) to withdraw those words. As he knows, they are not accepted as parliamentary expressions and cannot be used lightly. I will ask the hon. member to withdraw those words.

Mr. Cossitt: Madam Speaker, I would be very happy to withdraw the words if the minister would agree to have this matter referred to a committee—

An hon. Member: Sit down.

Mr. Cossitt: —for a full investigation. If he is not afraid, if he has nothing to hide, then he will agree to do this. If he has something to hide, he will not agree. If he has nothing to hide he will stand up now and agree.

Some hon. Members: Hear, hear!

Madam Speaker: Order, please. However justified the complaint of the hon. member may be, the withdrawal of unparliamentary language must be unconditional. I think the hon. member will know that these are the rules by which we govern ourselves and I am sure he would be the first one to want to abide by those rules. So I would ask him not to put any condition on the withdrawal but to simply withdraw those words.

Mr. Cossitt: Madam Speaker, with due respect to the Chair, I do not feel that I can go back on what I know to be the truth, having heard it from the vice-president of CMHC and others. Having sufficient evidence, I cannot stand up and say I was wrong in what I said, because if I believe in what I said I have to stand behind it.

Madam Speaker: I think the hon. member who just made an argument ought to know that it has nothing to do with whether he was wrong or not wrong. These questions are debatable in the House. What is not acceptable are the unparliamentary words he used. What the hon. member has to do, and I am asking him to do this unconditionally and he knows the conditions under which I ask him to do this—is to withdraw the unparliamentary words he has just pronounced in the House. He does not have to say another member was right or that he did well or approved of his conduct. I am sure it was a slip of the tongue and the hon. member will want to withdraw those words.

Mr. Cossitt: Madam Speaker, I wish I could honestly say that it was a slip of the tongue, but I have to honestly say that it was not. I would be telling less than the truth if I contradicted myself in that regard. I do not feel, in view of all the things which have been said during the preceding week or two, both in the House and by the minister about what I said when he went to a fund-raising dinner in Toronto. I know the facts to be as they are. I cannot say otherwise.

Some hon. Members: Hear, hear!

Madam Speaker: Do I take it that the hon. member for Leeds-Grenville does not want to withdraw the unparliamentary words he has pronounced in the House?

Mr. Cossitt: I can only say, Madam Speaker, that I feel I must let my words stand.

An hon. Member: Shame.

Madam Speaker: Then it is with great regret that I have to name the hon. member.

[*Translation*]

Hon. Yvon Pinard (President of the Privy Council): Madam Speaker, in the circumstances, I regret that I must move that the member for Leeds-Grenville (Mr. Cossitt) be suspended from the service of the House for the remainder of today's sitting.

Madam Speaker: Order, please. Moved by Mr. Pinard, seconded by Mr. MacGuigan, that the member for Leeds-Grenville be suspended from the service of the House for the remainder of today's sitting.

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

Some hon. Members: Agreed.

Some hon. Members: No.

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

Some hon. Members: Yea.

Madam Speaker: All those opposed will please say nay.

Some hon. Members: Nay.

Madam Speaker: In my opinion, the nays have it.

And more than five members having risen:

Madam Speaker: Call in the members.

The House divided on the motion (Mr. Pinard), which was agreed to on the following division:

● (1510)

(Division No. 134)

YEAS

Messrs.

Allmand	Burghardt	Cullen
Appolloni	Bussières	Daudlin
(Mrs.)	Caccia	Dawson
Axworthy	Campbell	Deans
Bachand	(Miss)	De Bané
Baker	(South West Nova)	de Corneille
(Gander-Twillinga	Campbell	Demers
Beauchamp-Niquet	(LaSalle)	Desmarais
(Mrs.)	Campbell	Dingwall
Bégin (Miss)	(Cardigan)	Dion
Benjamin	Chénier	Dionne
Blackburn	Chrétien	(Northumberland-
Blaikie	Collenette	Miramichi)
Blais	Corbin	Dubois
Bloomfield	Corriveau	Dupont
Bockstael	Cosgrove	Duquet
Breau	Côté (Mrs.)	Erola (Mrs.)
Bujold	Cousineau	Evans

Messrs.

Ferguson	Lapointe (Beauce)	Pepin
Fisher	LeBlanc	Peterson
Fleming	Lefebvre	Pinard
Flis	Lewycky	Portelance
Fox	Lonsdale	Prud'homme
Garant	Lumley	Reid (Kenora-Rainy River)
Gauthier	MacBain	Roberts
Gendron	MacEachen	Robinson (Burnaby)
Gimaïel	MacGuigan	Robinson (Etobicoke-Lakeshore)
Gingras	Mackasey	Rompkey
Guilbault	MacLaren	Rooney
Harquail	MacLellan	Rose
Heap	Maltais	Rossi
Henderson	Manly	Roy
Herbert	Marceau	Savard
Hervieux-Payette (Mrs.)	Massé	Schroder
Hopkins	Masters	Simmons
Hudecki	McCauley	Skelly
Johnston	McRae	Smith
Kaplan	Miller	Tardif
Keeper	Mitchell (Mrs.)	Tessier
Kelly	Munro (Hamilton East)	Tousignant
Killens (Mrs.)	Nystrom	Trudeau
Kristiansen	Ogle	Turner
Lachance	Ostiguy	Veillette
Lajoie	Ouellet	Watson
Lalonde	Parent	Weatherhead
Lang	Pelletier	Whelan
Laniel	Penner	Yanakis
Lapointe (Charlevoix)		Young—134.

NAYS

Messrs.

Andre	Gass	McGrath
Baker (Nepean-Carleton)	Gilchrist	McKenzie
Beatty	Greenaway	McKinnon
Blenkarn	Hamilton (Qu'Appelle-Moose Mountain)	McKnight
Bosley	Hargrave	McLean
Bradley	Hawkes	McMillan
Cardiff	Hnatyshyn	Mitges
Carney (Miss)	Howie	Murta
Clark (Yellowhead)	Huntington	Neil
Clarke (Vancouver Quadra)	Jarvis	Nielsen
Cook	Jelinek	Oberle
Corbett	Kempling	Paproski
Crombie	King	Patterson
Crosby (Halifax West)	Korchinski	Reid (St. Catharines)
Crouse	Kushner	Schellenberger
Darling	Lambert	Scott (Hamilton-Wentworth)
Domm	La Salle	Siddon
Ellis	Lewis	Speyer
Elzinga	MacDonald (Miss)	Stevens
Fennell	MacKay	Taylor
Forrestall	Mayer	Thomson
Friesen	McCain	Towers
Gamble	McCuish	Wise
	McDermid	Wright—71.

● (1540)

[*English*]

Madam Speaker: I declare the motion carried.

And Mr. Cossitt having withdrawn:

Privilege—Mr. MacKay

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. Nielsen: Madam Speaker, I ask the government House leader to confirm the business for next week, assuming that tomorrow's allotted day has not changed.

Mr. Pinard: Madam Speaker, as a matter of fact, today we will deal with Bill C-48. We hope to give it third reading. Tomorrow will be effectively an allotted day.

[*Translation*]

Regarding the business of the House for next week, Monday and Tuesday will be reserved for the budget, and the debate should be completed by Tuesday evening. Next Wednesday the House will consider Bill C-78, assuming that Bill C-48 will have been passed. Next Thursday will be the last opposition day of this supply period. Finally, next Friday I hope we shall be able to obtain the unanimous consent of the House to deal very quickly with Bill S-23 which has been passed by the Senate and concerns the Jules and Paul-Émile Léger Foundation.

* * *

[*English*]

PRIVILEGE

MR. MACKAY—REPLY OF MR. COSGROVE RESPECTING EVICTION OF FAMILIES

Hon. Elmer M. MacKay (Central Nova): Madam Speaker, I rise on a brief question of privilege which also involves the minister of housing. I should like to read a very brief portion of the question which the hon. member for St. John's East (Mr. McGrath) asked today. He said that he thought the House was entitled to an explanation for the evictions from the minister responsible for housing.

Madam Speaker: Order, please. Might I ask the hon. member to let me know what is the question of privilege and, after that, he might read something in support of his question of privilege. But I should like to know from the outset what is his question of privilege.

Mr. MacKay: Madam Speaker, the minister has left a very misleading and inaccurate impression with the House of Commons and its members with respect to the facts which existed when he referred to conditions mentioned by the hon. member for St. John's East. I will be very brief, but I wish to set it out, if I may.

Some hon. Members: Order, order!

Madam Speaker: The fact that the hon. member is not satisfied with an answer given by an hon. member does not constitute the basis of a question of privilege. The hon. member stated quite clearly that that was the basis of his question of privilege. I suppose he is now preparing to give me the facts with which he does not agree. Obviously that is

debate and not a question of privilege. Unless the hon. member has other things to tell me—and he has not told me in the first instance that there was foundation for a question of privilege—I will not be able to hear him.

Mr. MacKay: Madam Speaker, with all respect, I do not wish to be inflammatory but I regard it as a matter of personal privilege. Because what the minister said was not in accordance with the facts.

Some hon. Members: Oh, oh!

Mr. MacKay: I must have a moment to set this out; otherwise I cannot develop my question of privilege. Basically the minister said that myself, as former minister of housing, and our government were responsible for the eviction of the 80 families who were referred to earlier. The question my colleague asked was very simple. It is true, as the minister said, that we on this side of the House were responsible for the policies which he attributed to us, but certainly not for the eviction. This is stretching the truth—

Some hon. Members: Order, order!

Madam Speaker: Order, please. The hon. member is quite obviously debating. This is not a question of privilege. I understand that he might fully disagree with the minister and would like to debate the question, but this is not the time for it. There are other occasions in the House when he can debate such matters. I ask him to do it at that time. The hon. member does not have a question of privilege; I regret that I cannot accede to his request.

* * *

● (1550)

BUSINESS OF THE HOUSE

Mr. Deans: Madam Speaker, I should like to return for a moment to House business. We were interrupted by the question of privilege. I want to ask the government House leader and the House leader for the official opposition if it might be possible to schedule a meeting for next week in order to project what the House business will be between now and a point around December 18 to December 22.

I suggest to the government House leader that we did have certain pieces of legislation that we thought would be dealt with earlier but that have not yet been dealt with. It might be useful if we could get an idea of exactly what the government wants to go through the House before the Christmas break, regardless of how long that is.

Mr. Pinard: Madam Speaker, I shall be pleased, as usual, to speak with my colleagues. It will be much easier to plan business for the following week when we have completed certain bills that have been under study for quite a long time. I intend to meet with my colleagues next week or, if necessary, before that, to plan even further.

Mr. Robinson (Burnaby): Madam Speaker, I have a question on House business that I should like to direct to the President of the Privy Council. As he knows, for some time the government has been promising to bring forward Bill C-53 for second reading in this House. This legislation is long overdue and as the minister and the House know, it would redefine rape as a violent assault instead of a crime of passion. I should like to reaffirm the intention of this party to allow the bill to be referred to committee with no further speakers from this party in order that it may be considered and we may deal with the necessary amendments.

Is the President of the Privy Council prepared to bring this bill forward at the earliest possible opportunity in order that we may consider this badly needed legislation which was promised in the Speech from the Throne?

Mr. Pinard: Madam Speaker, as I said before, this bill is very important and we would like to send it to committee provided we can come to an agreement among all the parties. We are certainly prepared to send the bill to committee without any speaker at second reading stage, if that is the desire of the hon. member. Another party is involved, however, and I would be prepared to talk with that party in due time to see if it is ready to accept the offer made by the hon. member.

I have already stated what the business is to be for the remainder of this week and the whole of next week. Perhaps we could bring that bill in next Friday afternoon, if we get Bill S-23 through of which I spoke earlier. It may then not be necessary to call Bill C-53 next week if we agree before hand to send it to committee without further speakers. This party is prepared to let the bill to go to committee without any additional speakers.

Mr. Robinson (Burnaby): Madam Speaker, certainly we will await with interest the response of the other party on this side to that offer, which I readily accept. Another matter which was promised in the Speech from the Throne and on which I would like to get some clarification as to the government's timing on it was the transfer of the offence of possession of cannabis from the Narcotics Control Act to the Food and Drug Act. The government has promised for some time to make this long overdue legislative change. I would ask the President of the Privy Council to indicate where this matter stands on the parliamentary timetable.

Mr. Pinard: Madam Speaker, I will be glad to consult with the Minister of Justice and report to the hon. member, before Christmas, I hope.

Mr. Nielsen: Madam Speaker, there is a purpose in having House leaders for the parties. The chief purpose of that arrangement is for members to work through their House leaders. I suggest that the hon. member, who in my view has been grandstanding, should work through his House leader, who made a very sensible suggestion today with respect to holding a House leaders' meeting at the earliest possible moment for the purpose of discussing the very thing that was

the subject matter of the exchange between the hon. member for Burnaby and the government House leader.

This kind of exchange between the hon. member, who is not his party's House leader, and the government House leader will add nothing to the harmony of the forthcoming House leaders' meetings. I can give an undertaking for this party that members will not undercut me and go directly to the government House leader. I would hope that the same kind of co-operative discipline could be encouraged in the NDP. Let us do our job in a very calm and sensible fashion, rather than try to make political points through exchanges such as that which just occurred.

If exchanges such as this one are to become an established practice, there is no way that I can ask my own members not to follow the same course of conduct. I am sure that all hon. members would agree it would not be conducive to the most efficient carriage of business in this House.

Mr. Deans: Madam Speaker, it is always such a pleasure to hear from the official opposition's House leader. I should like to suggest, however, that he look after his business and I will look after mine.

I am quite satisfied that when one of my colleagues asks me if it would be proper for him to raise a matter, I have the authority to say yes or no, which I did. I shall continue to do that. If the House leader for the official opposition would like some lessons, I am available after six.

Mr. Nielsen: Madam Speaker, I can assure the hon. member for Hamilton Mountain, through you, that I will have nothing to do with his business.

Mr. Friesen: Madam Speaker, it is painfully obvious that it takes two of the NDP to do the job of one for any other party.

* * *

POINT OF ORDER

MR. FRIESEN—CIVILIAN INTERNMENT CAMPS—AVAILABILITY OF TRANSLATED DOCUMENT

Mr. Benno Friesen (Surrey-White Rock-North Delta): Madam Speaker, I am a member of a minority group that remembers very well the way we were treated in World War II. That is why I am concerned about the cabinet document published on June 10 regarding civilian internment camps. It is for that reason that I put down a motion for the production of papers regarding that document. I am now told by one of the officials of the House that it will be months before the papers that will be necessary to debate that document will be translated. It was my impression that the facilities of this chamber are supposed to be bilingual. This is an emergency security document. I was under the impression that the document would be translated relatively simultaneously to its production and that we would therefore be able to debate the matter in the House.

Point of Order—Mr. Friesen

I should like to ask the government House leader whether it is going to be months before this document can be translated and when we will be able to debate that motion in the House. I am very concerned about the issue and I know that other hon. members are also concerned about the matter of civilian internment camps, in spite of the fact that we now have a so-called Charter of Rights and Freedoms.

[*Translation*]

Hon. Yvon Pinard (President of the Privy Council): Madam Speaker, I do not know what documents the hon. member is referring to when he says that certain documents have yet to be translated, but as minister responsible for emergency measures planning, I can confirm that there is an order in council which has been published and which only contains instructions for departments, on how to plan for and cope with emergency situations, and these instructions cannot be implemented without an act of Parliament, which would be subject to a complete debate. So, if the hon. member is referring to an order in council, it has been published, and if he is afraid the order in council goes against civil rights and liberties, in that case it is a little early for him to entertain this fear, because the provisions will not become effective until a bill is debated in the House and receives complete and final approval. However, I can confirm that there are no plans to do so in the short term. So if that is what is causing his concern, there is absolutely nothing, to my knowledge, that justifies the anxieties of the hon. member. But in any case, I shall find out exactly to what document he is referring, and if there is a case for speeding up its translation, I shall be glad to take appropriate action.

• (1600)

[*English*]

Mr. Friesen: Madam Speaker, if the government House leader will check order in council 1305, an emergency planning order which calls for the Solicitor General (Mr. Kaplan) to have authority to establish civilian internment camps, it is significant to note that the new document makes no mention of the RCMP or any other police force that would be used to authorize or to establish those internment camps. The order is supposedly a rewriting of the document of 1965, when the RCMP were used as the administrators of those camps.

I am concerned about this order. I wish to be able to debate it in the House. We are being stalled by the government because of its translation services. I would like to have an assurance from the government House leader that these documents will be translated forthwith so that we can debate that motion on the floor of the House.

Some hon. Members: Hear, hear!

[*Translation*]

Mr. Pinard: Madam Speaker, I must answer here, because it seems to me the hon. member is a little confused. He says he is concerned about the order in council, because in one part of

the order, instructions are given to the Solicitor General (Mr. Kaplan) for making certain arrangements and plans in the event of emergency situations. Once more, if the hon. member reads the entire order in council, which has been translated, is available and has been published, and which to my knowledge is the only document that deals with emergency planning, he will see that certain instructions are given to the Minister of National Health and Welfare (Miss Bégin) for planning and making preparations for assisting those who will need medical care in the case of a major disaster or crisis in this country. Such plans will become effective only if an act of Parliament is debated, and the hon. member will then have the debate he desires in the House, but he will have it only if we agree to introduce a bill. For the time being, we have no intention, in the short term, of introducing a bill to implement the plans contained in the order in council. If the hon. member wants to have a debate on emergency planning before the government decides to introduce a bill, I must remind him that there are opposition days when he may enter a private member's bill in his name on the Order Paper, and it will be debated in due course. But as far as the government is concerned, we do not intend to introduce a bill on emergency planning during this session. Furthermore, the order in council to which the hon. member is referring has no enabling authority. These are only instructions to ministers and respective departments, on planning in the event of a national emergency, whether it concerns the Solicitor General, public health, energy or any other area. This is what is known as sound planning. So I really wonder what the hon. member is complaining about. If there are other papers to which he is referring that have not been translated, I should appreciate it if he would give me a more specific reference, and I shall make arrangements to have them translated.

[*English*]

Hon. Ron Huntington (Capilano): Madam Speaker, just on the same point of order, there is quite a high degree of concern on the issue of Privy Council Order 1305 which was gazetted, I think, on May 21 of this year. It comes under the Public Service Rearrangement and Transfer of Duties Act, I believe. I am wondering why that vehicle has been used to put the nation on notice that the RCMP have been removed as the operators of civilian internment camps. There is a high degree of concern about this in the country at large. Also, why has the Solicitor General (Mr. Kaplan) been given new powers to rearrange prison populations to make room for civilian internees?

Also, I have not been able to get to the bottom of the confusion regarding this order in that outside the body of the text for the Solicitor General, "in the event of war" is contained in the heading. There is, again, some confusion in that under the new charter of rights, the War Measures Act and emergency planning powers are broadened, and a court, on black and white definition, could say, "Yes, you may invoke your existing emergency planning orders", and away you would go.

On the other hand, the President of the Privy Council (Mr. Pinard) has given a very deliberate and solid address on this issue that we have in our files. He has pointed out that even in the event of an emergency, without the legislation he is talking about, these planning orders would be invoked. Therefore, it would be of great assistance to many people in Canada at large and to some of us in the House if he could clarify just where this Privy Council Order 1305 stands.

[*Translation*]

Mr. Pinard: Madam Speaker, I must reply regarding the hon. member's last statement. It is incorrect to say that this order in council will be implemented without a bill being passed. For the order in council to become effective, it is absolutely essential to have a bill or to have a debate in this Parliament pursuant to an existing act.

As the minister responsible for emergency planning, I can assure him that is true. The order in council is not brand new. It was substituted for a previous one, because it was felt that emergency planning should be adapted to present-day realities. Once more, these are instructions given to ministers to plan for emergency situations, so that all Canadians in all regions, at the federal level, will be better prepared in the event of a natural or man-made disaster or of civilian action prior to a war.

But, once more, and I want to make this quite clear, the order in council will not be implemented unless there is an act of Parliament following debate in this House. I hope I have been able to dispel any doubts in this respect. And as for its compatibility with the Charter of Rights, since the hon. member raised the question, I would like to say once again that these powers—

Madam Speaker: Order, please! Really, we are involved in a debate on an order in council! The hon. member asked a question about papers which, according to him, had not been translated, which fact prevented him from functioning in committee. The President of the Privy Council has answered that question. It seems to me that since then, there has been a debate on the merits of an order in council, and that a point of order or privilege is no longer involved. That being the case, I think enough has been said on the subject.

[*English*]

Hon. Ray Hnatyshyn (Saskatoon West): Madam Speaker, in a sense, this is a new point of order because of the comments made by the government House leader who, indeed, is the minister responsible for emergency planning. I speak in the capacity of a member of the Senate and House of Commons Joint Standing Committee on Regulations and other Statutory Instruments, which had the opportunity of reviewing this very unusual order, an order that came not by virtue of any legislation, but rather by the royal prerogative indigenous to government.

My colleague, the hon. member for Surrey-White Rock-North Delta (Mr. Friesen), quite rightly points out the essence of his complaint, and one in which I join as a member of that committee and of this House of Commons, that this very unusual order which has been proclaimed by the government imposes sanctions against any public servant who refuses to carry out the instructions.

The point I am making is that the President of the Privy Council (Mr. Pinard), in addressing the joint federal-provincial ministers with respect to emergency planning, indicated in his speech, which I can show to him, that there will be no alternative for the government in the event of an emergency but to act extra-legally, that is, outside of the law, if—

Madam Speaker: Order, please. The hon. member is not raising a point of order. He is debating the question again. This is not the time to debate that particular question. I cannot accept it under a point of order. There is no point of order that I can see. The hon. member has been speaking for three or four minutes and he has not raised a point of order.

Mr. Hnatyshyn: May I explain my point of order in just one sentence?

Madam Speaker: The hon. member for Saskatoon West (Mr. Hnatyshyn).

Mr. Hnatyshyn: My point of order is that this is a highly unusual matter, and it is absolutely essential, considering its urgency, to have the document put before this House and the return presented. That is to say, I think there should be an undertaking by the President of the Privy Council, who misrepresented the position he took last summer, that the document will be provided immediately.

• (1610)

[*Translation*]

Mr. Pinard: Madam Speaker, my hon. colleague from the Saskatchewan Small Claims Court is entirely mistaken. He is misinterpreting statements I have made. In any case, I have clarified them if that is how he understood some of the statements I made at the federal-provincial conference. I made it quite clear that the order in council cannot become effective unless a bill is debated in Parliament in this regard.

Madam Speaker: That has already been said. Really, this is just further debate. Here we go again. I just said there was no point of order.

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

MR. ROBINSON (BURNABY)—THE CONSTITUTION—REQUEST FOR DELETION OF SECTION 33 OF CHARTER

Mr. Svend J. Robinson (Burnaby): Madam Speaker, I have the honour to present a petition to the House on behalf of the Ad Hoc Committee of Canadian Women on the Constitution signed by many Canadian men and women urging the removal of Section 33 of the constitutional resolution, which was passed by this House last night, which would allow an explicit override of the fundamental freedoms, legal rights and equality rights in the Constitution. I can only hope that perhaps those members of the other place might have another look at this provision and delete this section, which so effectively guts the provisions of the Charter of Rights and Freedoms.

MR. CLARK—EFFECTS OF HIGH MORTGAGE INTEREST RATES

Right Hon. Joe Clark (Leader of the Opposition): Madam Speaker, I thank the Chair for recognizing the Leader of the Opposition to present a petition. I have the duty to present three petitions today on behalf of the residents of communities in Ontario.

The purpose of these petitions, signed in one case by 32 concerned Canadians from Welland, Ontario, in another case by another 31 citizens of Welland, Ontario, and in another case by some 130 citizens from Stoney Creek, Ontario, is to indicate to the government that the mortgage interest crisis that is forcing them out of their homes and into dire straits is continuing unabated despite the Liberal budget.

The nature of the petitions is to demand that the government lower interest rates and provide for deductibility of mortgage interest.

The petitioners hope, Madam Speaker, that as a result of the urgency of their request you might use the discretionary powers vested in your office to allow for discussion of their concerns.

MR. McMILLAN—EFFECTS OF HIGH MORTGAGE INTEREST RATES

Mr. Tom McMillan (Hillsborough): Madam Speaker, I have a petition signed by members of the recently formed Prince Edward Island Home Owners' Association based in my riding of Hillsborough.

The petition laments that current high mortgage interest rates have placed home ownership beyond the reach of most Canadians. It notes that many Canadians faced with the renewal of mortgages at interest rates substantially higher than before risk losing their homes because they cannot afford the new payments. Specifically, the petitioners call upon Parliament to take all necessary measures to lower mortgage

interest rates immediately to a level that will effectively deal with Canada's housing crisis.

In conclusion, Madam Speaker, the petition includes a plea for help for those individuals and families who had to renew their mortgages in the last year when interest rates were at their peak.

I share the views of the P.E.I. Home Owners' Association, and it is on that basis that I beg leave to table this petition in the House on their behalf.

MR. SKELLY—REIMBURSEMENT OF OWNERS OF HOMES WITH UFFI

Mr. Ray Skelly (Comox-Powell River): Madam Speaker, I also have the pleasure of presenting a petition signed by several hundred home owners in the community of Powell River, British Columbia, who are currently suffering from health and financial problems associated with urea formaldehyde insulation in their homes. They present a request to the government to aid them financially to rid their homes of this material, and seek aid with testing and health information from the government.

* * *

PUBLIC ACCOUNTS

MOTION FOR CONCURRENCE IN ELEVENTH REPORT OF STANDING COMMITTEE

Mr. Bill Clarke (Vancouver Quadra) moved that the eleventh report of the Standing Committee on Public Accounts, presented to the House on Monday, November 23, 1981, be concurred in.

Madam Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. Members: Agreed.

Motion agreed to.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, the following questions will be answered today: Nos. 2,640, 3,175, 3,265 and 3,305.

[*Text*]

SETTLEMENT OF NATIVE LAND ENTITLEMENTS

Question No. 2,640—**Mr. Anguish:**

1. Did the government retain or is it retaining the services of the hon. member for Verchères in the settlement of native land entitlement claims and, if so (a) what is/was his role and title (b) what are/were his responsibilities (c) in what manner, under what authority and on what date was he appointed (d) does he receive remuneration for his work and, if so, in what amount (e) does he receive expense money for his work and, if so, what amount did he receive?

2. Did the member meet with groups to discuss the claims and, if so, which groups and what was the date and location of each meeting?

3. Was the member permitted extra staff entitlement for his work and, if so, under what budget and how many persons were involved?

Hon. John C. Munro (Minister of Indian Affairs and Northern Development): 1. (a) The hon. member for Verchères was named special representative for the Minister of Indian Affairs and Northern Development for Saskatchewan Land Entitlements.

(b) He co-ordinates and negotiates the resolution of Saskatchewan Land Entitlements.

(c) Initial appointment by P.C. 1980—3282 of 4 December 1980, effective October 1, 1980—March 31, 1981. Appointment confirmed by P.C. 1981—1180 of 7 May, 1981, effective April 1, 1981—March 31, 1982.

(d) No.

(e) Mr. Loiselle's travelling expenses in relation to Saskatchewan Land Entitlement amounted to $3,068 in 1980-81. No travelling expenses have been paid in 1981-82.

2. Yes. While parliamentary secretary to the Minister of Indian Affairs and Northern Development, between March 4, 1980 and September 30, 1980, the following meetings took place:

Federation of Saskatchewan Indians
July 24-25, 1980; Saskatoon, Sask.
Peter Ballantyne Band
Sask.
The Hon. Ted Bowerman
Sask.

After his appointment as special representative, he met with the Federation of Saskatchewan Indians December 14-16, 1980, Regina, Sask. Numerous other meetings were held in Ottawa during 1981 with F.S.I. representatives and entitlement Bands, as well as representatives of other government departments.

3. Departmental staff have supported Mr. Loiselle in carrying out his responsibilities.

MR. TIM PORTEOUS

Question No. 3,175—**Mr. Cossitt:**

1. With reference to the answer to question No. 2,761 which stated in part that Mr. Tim Porteous was never an employee of the Public Service, what is a complete list of all the positions he held with any government agency, council, office or any other government body?

2. Does the government, when answering questions on the Order Paper, interpret the words Public Service as literally as possible or does it realize that this term is often used to cover employment of any kind paid for from public funds, by exempt staff, or by Crown corporations?

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): 1. The Canada Council advises as follows:

1966-68 executive assistant to the Minister of Industry, Trade and Commerce.

1968-73 special assistant and executive assistant to the Prime Minister.

1973 to now associate director of the Canada Council.

2. Ministers' staffs are not employees of the Public Service. Please refer to the Public Service Employment Act.

STATISTICS ON WEEKLY NEWSPAPERS

Question No. 3,265—**Mr. Nickerson:**

1. Does Statistics Canada, for the purpose of compiling statistics on weekly newspapers within a certain geographic region, select one newspaper as being representative of those published within that region and does it require the newspaper to provide more detailed information than others in the region?

2. Has the *Slave River Journal* of Fort Smith, Northwest Territories been for several years the designated representative newspaper for the Northwest Territories or any part thereof?

3. If a newspaper objects to being the designated representative newspaper in a region for what it regards as more than its fair share of time because of the additional paper burden placed upon it, can it take steps so that it no longer retains this honour and, if so, what are the steps?

Hon. J.-J. Blais (Minister of Supply and Services): Statistics Canada reports:

1. Statistics Canada for the purpose of compiling statistics on weekly newspapers for a province or territory does not select only one newspaper as being representative of that region. Neither does Statistics Canada require a newspaper to provide more detailed information than others that are in the same size stratum.

2. The *Slave River Journal* at Fort Smith, Northwest Territories, has been part of a systematic sample of newspapers reporting to Statistics Canada but is not the only newspaper for the Northwest Territories included in the sample.

3. Businesses are required to respond to surveys collected under the Statistics Act. However, small businesses, such as the *Slave River Journal,* wishing to be exempted from the burden of completing the annual census of manufactures may do so by facilitating access to data already supplied to Revenue Canada by providing Statistics Canada with the necessary identification tax numbers.

In the case of the inventory, shipments and orders survey, the sample is revised annually in accordance with the theoretical requirements of a stratified systematic random sample. The *Slave River Journal,* which for a number of years was part of the survey was not selected for the revised sample for 1982. But it is quite possible it will be reactivated on the next update cycle. In the case of sample surveys no exemptions can be granted.

COLLECTION OF DEBTS

Question No. 3,305—**Mr. Rae:**

1. Were separate contracts worth $3,600,000 awarded to Associated Credit Bureaus of Canada, Toronto and Canadian Bonded Credits Ltd., Don Mills?

2. Were the contracts tendered and (a) if so, what were the competing bids (b) if not (i) for what reason (ii) on what basis were the companies chosen?

3. (a) Who were the principal officers or owners of the companies (b) what services were required under the contracts?

Order Paper Questions

4. (a) What kind of debts will be collected by the companies and from how many persons or companies (b) what amount is expected to be collected (c) what control will be exercised by the government over the tactics used by the companies?

5. Is it the usual practice for the government to contract out work to collection agencies and, if so, for what reason are public employees not used?

Hon. J.-J. Blais (Minister of Supply and Services): In so far as the Department of Supply and Services is concerned, 1. The following contracts were awarded:

Value	Name of Contractor
$ 4,800,000	FCA International Ltd.
3,600,000	Canadian Bonded Credits Limited
3,600,000	Associated Credit Bureaus of Canada

2. (a) Yes. Requests for proposals were invited from all firms (21) who had expressed an interest in this program. Bids were received from FCA International Ltd., Canadian Bonded Credits Limited, and Associates Credit Bureaus of Canada;

(b) (i) N/A;

(ii) The bids were evaluated by a joint DSS/Secretary of State committee utilizing predetermined evaluation criteria. The three bids were considered to be responsive and contracts for a portion of the business were awarded to each of the three firms.

3. (a) The principal officers are:

	Name	Title
FCA International Ltd.	Mr. J. D. Lubotta	President
	Mr. G. R. Stephens	Executive Vice-President
Canadian Bonded Credits	Mr. A. Levitt	President
	Mrs. Ann Ruth Levitt	Director
	Mr. R. Watters	Director
Associated Credit	Mr. K. Belgrave	Vice-President and General Manager
Bureaus of Canada	Mr. D. Emberly	Chairman of the Board

(b) The firms are to provide collection agency services with regard to defaulted student loan accounts, including the tracing of delinquent borrowers.

4. (a) The firms will collect outstanding student loans. From 1964 to June 30, 1980, some 85,000 students had defaulted on their loans for a total of $156.3 million.

(b) Approximately $48 million by the three firms concerned, during the period August 1, 1981, to June 30, 1984.

(c) The firms are required to furnish these services in accordance with the Canada Student Loans program directive to collection companies for the collection of delinquent Canada student loans. The Department of the Secretary of State, Student Assistance Directorate, is monitoring the services provided. It is a condition of the contracts that the services provided are subject to inspection and acceptance by the Crown.

5. These services have been contracted out for more than 12 years. The Department of the Secretary of State does not have sufficient person years to carry out such a program. Furthermore, it would be highly impractical and uneconomical to take on such a program on an in-house basis. The selected contractors provide Canadawide (and even worldwide) coverage which is not the case for the Department of the Secretary of State. Also, contrary to public servants, the contractors are not paid on a time rate basis but on a production basis. Treasury Board has directed that the business be spread competitively among several private sector firms.

[*English*]

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

[*Translation*]

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

Some hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

CANADA OIL AND GAS ACT

MEASURE RESPECTING OIL AND GAS INTERESTS

The House resumed, from Wednesday, December 2, consideration of the motion of Mr. Bussières that Bill C-48, to regulate oil and gas interests in Canada lands and to amend the Oil and Gas Production and Conservation Act, be read the third time and do pass.

Mr. F. Oberle (Prince George-Peace River): Madam Speaker, in the few minutes I have left to speak on the bill, having started my remarks yesterday, I would like to say that we are fortunate in the sense that the bill was delayed, as a result of the constitutional debate, for two reasons. First of all, it gave us the opportunity to measure some of the serious aspects of the bill against the new Constitution. We find after examination that there are some very serious flaws in the document with regard to the right to own property and the way native peoples in Canada lands will be treated when the decision is made to begin serious exploration and development in these Canada lands or in the north.

It is always interesting to speculate what people outside this chamber who are watching every move we make think about some of the matters we are discussing here. I cannot help but briefly review the discussions that took place just before I rose.

There is not anyone in the whole country who has followed with interest the debate leading to changes in our Constitution who did not hear someone say that never again will any member of any ethnic group—and the reference was always made to Japanese Canadians who were incarcerated or interned in 1943 or periods during the Second World War—be subjected to that kind of treatment in our country once we have a Charter of Rights and Freedoms and a new Constitution.

I am sure there are probably thousands of people out there who must be confused, having heard the discussions that just went on here, to learn with alarm that we have a government which has passed an emergency planning order whereby the Solicitor General of Canada (Mr. Kaplan) is compelled and ordered to establish civilian internment camps.

Some hon. Members: Order.

Mr. Oberle: The truth always hurts, but I just cannot help myself—

An hon. Member: You are going to put everybody in internment camps up in Uranium City.

Mr. Oberle: My colleagues and friends in the House know, of course, of my ethnic background and the very deep emotional feelings I have with respect to this measure. I am sure there are many thousands of Canadians who are watching this procedure and must be alarmed by the prospect that this government could come into the House and say there is an emergency in the country—

Mr. MacLaren: I rise on a point of order, Mr. Speaker. I know that we sometimes are fairly elastic in our view of relevancy in our discussions, but surely this exceeds even the most generous definition of elasticity. I do not know what civilian internment camps have to do with Bill C-48, the Canada oil and gas act.

• (1620)

The Acting Speaker (Mr. Blaker): For the sake of the hon. member's understanding, the hon. member for Prince George-Peace River (Mr. Oberle) did connect the two in terms of discussing Bill C-48. The Chair found that he was perhaps straying a little, but I felt it appropriate to give the hon. member an opportunity to close off the analogy and move on to Bill C-48.

Now that the point has been made, perhaps he would consider doing so.

Mr. Oberle: As you well know, Mr. Speaker, I am usually the last one in the House to abuse the rules of the House, but I would have been remiss had I not made the reference.

There are certain aspects of Bill C-48 which are not at all unrelated to that kind of autocratic and Draconian measure. As I said in my remarks yesterday in leading up to this point, one of those aspects is the fact that this government—this again is a totally unprecedented act on behalf of any government in western democracies—under the powers which we are about to grant it under Bill C-48, will confiscate private property and private assets, either the intellectual type of

capital or actual physical assets which are associated with leases in the north.

With Bill C-48, the government will receive the power to go to Canada lands in the north or offshore and confiscate up to 25 per cent of the assets of any company that have not yet been developed in the sense of the issuance of a production certificate. If this is not an area in which we should be seriously concerned, I do not know whether we should ever concern ourselves with anything again.

We have had time to learn of the serious flaws in the bill as they affect domestic companies, the economy in general, and certainly as they affect the potential of becoming energy self-sufficient by the year 1990. We have also had time to reflect on and come to grips with some of the serious condemnation and concerns voiced to us from outside our country. This matter interests me particularly because, as I have said in committee and in the earlier part of the debate, I am very much concerned about the reaction that we are to expect from the United States as well as other countries as a result of what is now clearly causing serious damage to certain treaty obligations that we have with the OECD countries, with the government moving against companies and giving preferential treatment to its agents over foreign companies which may have been or are presently operating in Canada lands in the field of energy exploration and development.

It is a fact that the government has brought about this condemnation and we had better brace ourselves for some very serious action that some of these countries will feel obliged to take against us. I shudder to think what would happen if the United States government, in its wisdom, said that if that is the way Canada treats U.S. companies in Canada then it should reciprocate in kind and treat Canadian companies likewise in the United States. If this reciprocal action resulted in certain trade restrictions in the free flow of goods between our countries, I shudder to think of the prospect of restrictions on our lumber and wood fibre industries, for example, because the consequences would be very serious and the effect on our economy would be incalculable.

Bill C-48 has already had very serious effects on our domestic economy. The Petroleum Services Association of Canada recently appeared before a Senate committee and in graphic terms showed the senators the effect Bill C-48 has had on their businesses even before being passed through the House of Commons. The Petroleum Services Association consists of roughly 150 companies which represent a wide variety of activities generally servicing the oil patch and the oil fields. The association employs roughly 15,000 Canadians and is not at all an insignificant sector of our economy.

This particular service association recently conducted a survey and found that the number of employees on staff fell from 7,998 to 6,743. These particular companies which responded to the questionnaire, some 77 out of 150, registered a loss of employment of 1,255 people. The total number which left the industry had between them 4,914 years of experience.

The value of capital expenditures was cut back in Canada to the tune of $97,239,000. The gross sales over the period dropped by $131,639,000.

Bill C-48 was designed to bring about energy self-sufficiency by 1990. We all know that this would require a massive influx of capital, technology, people and a massive effort, almost an emergency and warlike effort, to move to the north and bring about new development and exploration to recapture what we once had, energy self-sufficiency.

I cannot believe at all that the minister should be so stubborn as not to realize what he is doing. Instead of increasing the activities in the north he is, of course, very seriously crippling the oil economy in the north. Also, he is not chasing the multinationals, they are already in the United States and all over the world; he is not chasing them out, he is chasing out Canadian companies.

I come from an area of British Columbia which is the only producing part of that province. The major share of fossil resources are located in the northeastern area of British Columbia. The oil exploration and development industry has been a very significant part of the economy of that part of the province. I would like the minister to share the picture we all had when he announced the great potential to regain energy self-sufficiency in Canada. We all shared in the excitement of that proposition. He set in motion events which he could not control because he did not believe that there were still people in this country who would respond to a challenge in the way that people in my part of the country would. He set in motion a massive effort for people to come to grips with this challenge and respond in a positive way so that British Columbia could participate in supplying its share of energy resources to meet the needs of Canadians.

The city of Fort St. George had roughly 20,000 people at that time. There were approximately 300 hotel and motel rooms in the city. Over a two-year period, in response to this great challenge, everyone got out and said that this is where the action is. There were roughly 23 drilling rigs; the number was increased to about 100 operating in the area. Private entrepreneurs responded by building hotels and within a two-year period, 1,000 hotel rooms were available. The capacity to accommodate people in hotels and motels increased from 300 to 1,000.

• (1630)

Likewise, young companies enticed to service the oil patch responded. They took incredible chances. They went to banks everywhere and borrowed, increased their capacity, bought trucks and equipment and machines shops, hired new people, built on to their shops and bought new tools and machinery to respond to this incredible challenge.

Then came Bill C-48 and the minister pulled the rug out from under this exciting venture. Today three major hotels, including a Holiday Inn in Fort St. John, are in receivership, and two of the major machine shops are shut down. In the area with the greatest potential in our country there is above average unemployment today.

I just wanted to take these few minutes to serve notice on the minister that people who walk away from their businesses on which they have worked all their lives do not behave rationally. People have been fooled by the government which held out a great promise. These people believed in it for a short period of time. They made commitments on the basis of that promise. They do not act rationally when they feel the rug being pulled out from under them. I dare say the minister had better be careful, because if that situation exists in many other parts of this country—and I think it does—people will take measures which are not ordinary or rational. When I go home I get a feeling of anger and frustration which frightens me because I am called in by some of those oil businessmen who are now forced to dig up their roots, move down to the United States and take with them their equipment and their technology. Of course, they cannot take with them their people because the people would have difficulty getting immigration visas.

I just wanted to spill my heart out to my hon. colleagues. This is a serious situation. I am deeply troubled by it, and I plead with the government at this late date to come to its senses and to make whatever changes can still be made to this bill so that it is at least in some way conducive to the laudable goals and objectives we have set for ourselves, namely, to recapture energy self-sufficiency and to bring about a greater degree of Canadian ownership by 1990.

Hon. Ron Huntington (Capilano): Mr. Speaker, I participated at the report stage of Bill C-48, and I am now taking the opportunity to address a few more remarks in perhaps a broader context. I will stay within the confines of the bill. I might wander a little, but I will rely on Your Honour to bring me back to reality.

Since becoming a member of the House of Commons I have had great opportunities to travel the Arctic quite widely. I took one very valuable trip up there with a group of colleagues. It was a formal trip. The hon. member for Nipissing (Mr. Blais) was the member in charge of that group. We travelled widely. We looked at the infrastructure of the transportation system the federal government had financed. I am speaking now of a trip back in 1974 or 1975. We had extensive meetings with the native peoples. We sat in their houses and talked out the communication problems and the other problems they had. We talked about federal government programs which had been delivered into the north for these people, and one of the things I found quite heart-rending was that a program would be in place, and two or three years later, just as the people were understanding the program, getting comfortable with it, starting to benefit from it or understanding what the original thrust of the government was, the program would be withdrawn and something new put in its place. I have never forgotten the frustration of the native people. They were wondering why there could not be a little continuity with some of the federal programs which were delivered into the north.

Back in the first half of the 1970s the federal government put millions of dollars into the infrastructure of the transportation system starting from Hay River and up through the Mackenzie Valley. It was all predicated on the explosion which was going to start to take place in the Canada lands. At that time there were about 5 trillion cubic feet of gas locked in in the Mackenzie Delta. There was oil up in the Mackenzie Delta. Massive rigs and land fills were being constructed in the Beaufort. Tuktoyaktuk was starting to expand to get ready for Dome. It looked as though things were pretty bright indeed. There was also the Mackenzie Valley pipeline consortium. That pipeline was to move gas from the Prudhoe Bay fields. The consortium was seeking permission to run that transportation system across the north slope and down the Mackenzie Valley. The federal government had been putting in the transportation infrastructure with some foresight and some wisdom. It was quite impressive.

Also with foresight and wisdom the federal government put in vocational training schools in that area so that native people could be taught to repair diesel engines, to handle heavy equipment, and taught the semiskills and the skills that would be necessary.

One of the things the native people said repeatedly was that their only fear in all that was of hobnail boots trampling over their culture and through their villages. I think all the members who went up there—and I think three parties were represented on that trip—recognized it as being of paramount importance that the construction crews which would be going through the north should be kept isolated and that we would have to protect the culture and the families and the homes and townships in which the northern people lived. That does not mean to say that a highway had not been built. Inuvik attracted entrepreneurs. It was getting ready to be the hub and the distribution base for much of this activity, as were other centres down the Mackenzie Valley.

Then all of a sudden came the Berger report, and overnight all that planning, spending and infrastructure was stopped dead in the water.

Then I had the opportunity to return and travel up through the Mackenzie Valley and again over the high Arctic to meet the people and re-meet many of those I had the opportunity of meeting on the first trip. The devastation in Hay River was really heart-rending. Young native people who had been in the schools learning trades all of a sudden had their futures pulled out from under them. We keep hearing the words "We need an industrial strategy" and that only with forward planning will there be a future for a young person who wants to get out, get working and acquire a piece of property, a home or a van or truck. People with goals and people with jobs are, as a rule, very happy people.

I have said several times in the past—and I do not want to bore hon. members—that one of the tragedies of the Thirtieth Parliament was that we stopped dead the move toward the settlement of Indian land claims in the north by losing that $7.5 billion to $8 billion transportation project. We are now starting to see some rethinking on the part of the New Democratic Party. We have had our look, but we lost the opportunity to build that transportation system. Because it was not built, energy in the Prudhoe Bay field is being wasted because, through four stage pumps, gas coming up with the oil

is reversed back into the ground. That has been going on for years and years now, and that is a total waste of energy. It is really a crime, and not just against the United States; it is a crime against the world, which is becoming increasingly short of traditional fuels.

Had we proceeded with the Mackenzie Valley line at that time—for minimum megadollars—the United States could have been given a transportation system across Canada which would have left a taxation base behind in Canada and used our steel-making and pipe-making capacity to the full. It would have given us a new and vital transportation system. It would have created work again in the machine shops of Ontario and Quebec. We would have had almost a fully employed people from that period on. Politics interfered with that. Now that pipeline is something in a $24 billion to $30 billion package. The pre-build is going on in the west. The expense of the transportation system alone to get that Prudhoe Bay gas to the United States is horrendous. It has a tremendous inflationary impact. I am one who favoured the Mackenzie Valley line. I was very sorry and regretful to see what our failure to proceed with that project did to the native people and to the dreams and hopes of the people in the Mackenzie Valley.

• (1640)

I would like to come to the combination of the delay we have had to this period and the importation of foreign oil at world prices, getting into the struggle of the national energy policy through Bill C-48 which we are still debating in this House and which was interrupted by the constitutional debate and the constitutional accord with the first ministers.

We have been importing oil from abroad at a terrible cost to this country. There has been a great regional distortion in that the west, primarily the producing province of Alberta, in a two-year period delivered some $9.6 billion in compensation payments back into the system.

The last time I was up I was not allowed to place some statistics on the record. However, there was a feeling that there was a justification for drawing on money from the province of Alberta because the provinces of central Canada had paid more than world price for the early delivery of oil as the pipeline was being built from the western-producing areas. I now have the opportunity to finish that comment. In the years 1962 to 1972, the difference between imported world prices and the prices paid by Ontario consumers for western oil was $639 million. That was over ten years. In the short period of time that we got into these compensation payments after OPEC moved up, the province of Alberta delivered back $9.6 billion in compensation payments for our friends on the east coast.

One of the mistakes we made in the Thirtieth Parliament, and I do not know whether it was a mistake or political, was that we said we would tax oil because the generators in the Atlantic provinces were oil-fired. What we should have done, if we were going to be totally fair as a nation, is we should have taxed energy so that all provinces using hydroelectric energy, oil, gas, any form of energy, somehow or other participated in this equalization payment and this need to help the people of the Atlantic provinces who had entered heavily into oil-fired generation.

I have said, and I think with complete justification, that Bill C-48 and much of the constitutional debate has been a massive revenue grab of western and east coast resources. We have been very slow in this country moving to world oil prices. As a result, we have been very slow in moving to energy conservation. We have been very slow in moving to energy self-sufficiency.

Ottawa was addressing this problem in 1973. It established a national goal to be achieved before 1980. This is our ability to plan. In 1976 Ottawa scrapped the objective and replaced it with oil self-reliance, another study. In 1980 oil self-sufficiency was reinstated.

Our government saw the feasibility of achieving energy self-sufficiency by the year 1990, but it required an agreement with the producing provinces. That was almost in the palm of our hands. Now energy self-sufficiency has given way and is the third priority after Canadianization and revenue-sharing. That seems to be about the extent of Ottawa's ability to bring this nation to energy self-sufficiency.

In the five years between 1975 and 1980 the industry in the west contributed approximately $23 billion to federal and provincial treasuries in royalties and taxes. In addition, the oil industry contributed $24 billion to Canada's merchandise trade balance through exports of oil and gas. Then a mystery comes along. The poor people of Canada wonder whether there is a gas shortage.

Some years ago I started to read the bunk and propaganda that was beginning to come out. I felt I should reconsider the fact that I had a gas-heat installation in my business and a gas furnace in my house. I wondered whether I should start studying something that would give me continuity of energy. Lo and behold, just a couple of years later we found that we had more doggone gas locked in the ground, capped wells everywhere and cash flow pressures on the entrepreneurs and explorers.

With our energy nationalization and rush to corporate concentration in advance of the November 12 budget, we created some $17 billion of call-and-demand on our international reserves. It has put tremendous pressure on the Canadian dollar and thus is affecting the interest rates that are causing tragedies. It could trigger a domino effect across Canada and the United States if we do not get some discipline and order into our lives.

Unfortunately it has been a grab for revenue. Unfortunately, a political regime, a new economic order, has moved in and interfered with the opportunity we were given in the mid-seventies to be fully employed, to have that gift and heritage at large in Canada working so that we could make a positive donation to the world by withdrawing our demand for foreign energy resources. That is the tragedy.

There has been no excuse for this country not to have been fully employed and fully at work since the early mid-1970s.

We had a pipeline to build from the north to south of the 49th. We had a Syncrude plant which was an engineering marvel. We had an engineering body in place composed of Canadian and foreign engineers who should have been phased into another tar sands plant so that we would not lose that tremendous ability we have in engineering design, management, trade skills, engineering skills and our transportation infrastructure. All of that could have been gently and easily rolled over and phased into a second tar sands plant. Did that happen? No.

I remember when Sun Life nearly went bankrupt because of early pioneering work in the great Canadian tar sands. I remember the engineering tragedies it had, the metallurgical and other problems such as temperature and breaking up the tar sands. I remember the diggers breaking down and the belts breaking. I remember the struggles they had with the technology for separating the oil from the sand and then having to rebuild and redress the land as these great mining operations took place. I remember the negative cash flows they kept reporting. I remember years ago the seriousness of all this pioneering, this front-end entrepreneurial and innovative investment in rather large dollars. What does the national energy policy do, Mr. Speaker? It penalizes this company for that forward-looking investment into the future that was so necessary for us to become energy self-sufficient as a nation.

● (1650)

Why do we do these things, Mr. Speaker? We should be looking for national revenue as a good, solid taxation base where the decision-making process is at large in the country, using all of the talents that the magic of creation can give us. There is no decision-making base in Ottawa. The bureaucrats prepare laborious papers on the various options available to ministers to make decisions.

Today small companies throughout western Canada have to receive permission from some desk in IT&C in order to have an assessment for duty and tax and conform to all the other regulations to proceed with something that yesterday they used to be able to proceed with by picking up the telephone, having an expert assess the rules & regulations and then have a customs broker say that their interpretation is correct. If there was some doubt, the customs broker would telephone them in Ottawa so as to receive a ruling from the department. In a matter of hours, days, or weeks at the most, one could start the project; thereby the cash flow that small business always loses would turn around. That is the way it used to work.

I know of one company that last April needed about five or six items assessed for the duty rate or to see whether duty was applicable. It is a simple matter. They could then give that assessment, the professionals in the brokerage industry could assess it, and the company could start to move into the market again, in an area where it is all imports anyway—no Canadian manufacturing. The original request was made in April, and as of December 3, 1981, that single desk in IT & C has not been able to deliver its decision to the company in Vancouver. One thing after another is slowly coming to a halt as we force more and move structuring on the economy and force the private sector to come back here for permission to blow its nose.

That is the cause of almost one million unemployed in the country. The government has taken all of the ability to make decisions away from the private sector.

Aside from Bill C-48, the national energy policy, we come to the day of the budget, November 12, 1981. When one considers what the government has done with the budget, coupled with the national energy policy of this government, things will grind to a complete halt. On November 12, the government pulled the cornerstone from under fair taxation policy. The first indication of retroactivity applied to the Canadian people was in Bill C-48. On November 12 the budget imposed retroactivity as a Liberal government policy upon the industrial, the job-creating and wealth-creating sector of Canada. When one has retroactivity in taxation policy, coupled with government policies that remove the ability to pay the tax, what one has done, in fact, is pulled out from under the private sector their decision-making base.

In 1971 a new taxation policy, the Carter principles, were introduced to this country—a buck was a buck. The market sector has been adjusting to that taxation philosophy for ten years. Most people were just becoming comfortable with the new rules. A decision-making base was in place. The game was starting to work. All it needed was some fiscal policy to lighten it up and some common sense planning in energy for it to proceed.

What happened? On November 12, the most infamous budget ever was introduced to the House. It applies retroactivity as a policy of this government, and at the same time it taxes wealth, leaving the taxpayer without ability to pay. That just furthers the confiscation aspect that is so evident in the national energy policy under Bill C-48.

There have been some wonderful speeches made by prominent industrialists. In a meeting some time ago I learned—and it had not occurred to me—that the major oil finds in Canada had been discovered by one company. It is interesting to note—and I am speaking of the new deep field under Pembina, as well as the Hibernia field out on the ocean bottom—that one company with its scientists and its expertise was able to put together software programs in seismology that allowed a new sensitivity and a new reading from that data. That is what enabled the discovery of a new, big find in Alberta, under traditional fields, and that is what gave us Hibernia.

That is a foreign company that has been a good corporate citizen of Canada for many years. That was a technology that was not developed in Canada but was developed offshore. They just happened to put the combination of minds together so as to provide this technology to enable these new, big finds to be made.

It is interesting to note that they are still at work. They still seem to be interested in new properties as a result of this lead they have in seismic technology. They are interested in starting exploration and drilling off British Columbia. However, there is a moratorium in place, further evidence of the federal

government and provincial government being unable to resolve problems that would provide jobs.

Exploration activity is important to the north coast of British Columbia. There are towns waiting to be the service and distribution outlets for the boats that service these off-shore rigs. All of that is in place; the play is starting to take place; the land is under option. Everything is waiting for the federal and provincial government to get together and stop the moratorium so as to allow some of this west coast exploration to proceed.

The point I am making is that the official policy of this government is totally negative with regard to implementing forces that will allow us to achieve energy self-sufficiency. We shake our heads and wonder why we have the government wanting to move in and do everything; we have the government moving in and wanting to take over retroactively; we have the government not wanting to put up the front-end risk money within the Canada lands for gas and oil finds. But when there is a positive find, it moves in and takes 25 per cent.

With regard to that issue, I should like to discuss the problem that the industry is still encountering as a result of the Minister of Energy, Mines and Resources (Mr. Lalonde) dealing with the producing provinces of Alberta, B.C. and Saskatchewan. We have read quite a bit about the success of finally reaching agreement with the province of Alberta, with the province of British Columbia and with the province of Saskatchewan. Politicians came to these agreements in spite of the fact that industry representatives kept saying, "Look, guys, you are taking too much in this money grab; you are not leaving us enough to operate or to risk a dime".

● (1700)

May I call it five o'clock?

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Blaker): Order, please. It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Parkdale-High Park (Mr. Flis)—Corporate Affairs—Export Finance Corporation of Canada; the hon. member for Hillsborough (Mr. McMillan)—Federal-Provincial Fiscal Arrangements—Application of new formula to have-not provinces; the hon. member for Winnipeg-Assiniboine (Mr. McKenzie)—The Budget—Effect on insurance policies and retirement savings plans.

It being five o'clock, the House will now proceed to the consideration of private members' business as listed on today's

Order Paper, namely notices of motions for papers, private bills and public bills.

Does the House agree to stand all items under the heading of notices of motions for papers?

Some hon. Members: Agreed.

The Acting Speaker (Mr. Blaker): There being no items on the Order Paper under the heading of private bills, the House will proceed to the consideration of public bills of which I have a startling number.

PRIVATE MEMBERS' PUBLIC BILLS

[*English*]

POINT OF ORDER

MR. HERBERT—PRINTING OF BILLS

Mr. Hal Herbert (Vaudreuil): Mr. Speaker, I rise on a point of order which I brought forward on a couple of previous occasions. If all goes as projected one of my bills may be called; if the opposition is concerned, I will be using my own time. The point I have raised before is that presently a lot of bills are listed on the Order Paper and marked as "Text received". In other words, these bills have not been printed.

Earlier in this session, as well as in previous sessions of Parliament, I have raised the point that when bills are listed but not printed, it is very difficult for the hon. member to do his work. If he is questioned on listed bills by the public, he is unable to respond, not having seen the bills in question. I pursued this matter again in the present session, and it was agreed that hon. members would be allowed a certain time in which to put their houses in order. After a certain period of time those members who had not produced any text saw their bills dropped from the Order Paper. However, those bills of hon. members who had produced texts within the time limit specified by the Chair remained on the Order Paper.

The problem we are facing now is that since the listing nothing further has happened. The bills still remain on the Order Paper, and beneath them it reads "Text received". This may be because the text received was not in good order for printing or the legal advisers of the Chair have been unable to put the material into proper form for printing. But for a multitude of reasons, the bills themselves are not available to hon. members at large.

When I brought forward this matter before, I followed it up with a letter to the Speaker. I received a response from Madam Speaker—I do not have the letter in front of me but I will try to state fairly her decision—in which she essentially decided that the matter rested with hon. members. If we do not regulate the problem, we could see considerable abuse in the next session; this is what really bothers me. Originally I suggested that I have perhaps 100 or so subjects which I

should like to pursue. I could do so very easily by having them listed as bills, and the titles would convey a certain representation in themselves.

Under the new arrangements of this session, presumably within a limited period of time I would have to produce some sort of text. Nevertheless, this would not be particularly difficult. However, I suggest that the text I would produce would not necessarily result in the law officers who advise the Chair being able to produce a printed version. Although the Chair may have made some attempt to throw this matter back to hon. members to regulate, surely the good order of the House is that it is the responsibility of the Chair. Unless something is done about this item, I see the possibility of considerable misuse in the next session.

Probably Mr. Speaker is not willing to make any further comments this afternoon. I know another Speaker occupied the chair when I brought forward the matter previously. I felt it was appropriate to bring it up today because, in my opinion, it has not been satisfactorily attended to. Furthermore, if it is to be my time which is used up, obviously it is better to bring it forward today than on another occasion.

I suggest Mr. Speaker give further consideration to the matter. There has been no ruling so far by the Chair on this item. Despite Madam Speaker's letter, Mr. Speaker might think of some manner in which the problem could be resolved to prevent the abuse which could result if no further ruling comes from the Chair.

The Acting Speaker (Mr. Blaker): I thank the hon. member for bringing the matter to the attention of this particular occupant of the Chair. It was I who, approximately a year ago, undertook to assist the hon. member in this regard. My recollection is that there was some success in asking hon. members to produce texts for bills, not just names or titles of bills. If I recall correctly, we provided a warning period of approximately 30 or 60 days so that bills which had no body but had titles were removed from the Order Paper.

I understand the hon. member's point. I thank him for giving me some notice of his point of order. As I understand the issue, on short notice, it may be an extraordinary job to take several hundred bills with partial or total contents and verify that they are complete, orderly, meet the standards of the parliamentary law counsel, and translate them. The hon. member made a valid point when he said that the situation left the matter subject to abuse.

What concerns me more is that a very important right of every hon. member of Parliament is the right to seek to put a private member's bill before the House. Unless that effort results in the printing of the private member's bill, in effect the hon. member is deprived of a considerable portion of his rights as a Member of Parliament. I do not want to turn it into a question of privilege, but I think the hon. member for Vaudreuil (Mr. Herbert) has a valid point. If a member deposits a bill but for some reason it cannot be printed and circulated, surely a very important part of the process of Parliament has been denied to the member, as well as to other members who may appreciate the points made in the bill.

I will undertake to look once again at the subject matter, having due regard for the letter from Madam Speaker to which the hon. member referred. Bearing that in mind, this may well explain why, as I indicated earlier, I have before me a startling number of private members' public bills. Rather than try to refer to each and every one of them, and having given consideration to the comments of the hon. member for Vaudreuil, may I ask if there is unanimous consent that all orders preceding No. 139 be allowed to stand. Also I should point out that No. 139 stands in the name of the hon. member for Vaudreuil. Therefore, shall all orders preceding No. 139 stand by unanimous consent?

Some hon. Members: Agreed.

* * *

• (1710)

CROWN CORPORATIONS

MEASURE RESPECTING OPERATION

Mr. Hal Herbert (Vaudreuil) moved that Bill C-339, respecting Crown corporations (not agents of Her Majesty), be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

He said: Mr. Speaker, I am not too sure what gets printed for the heading of the remarks I am about to make so I shall read from the bill. Clause 1 reads as follows:

> Notwithstanding any other act, the Crown corporations specified in Schedule D of the Financial Administration Act are not agents of Her Majesty.

The explanatory note which accompanies the bill reads as follows:

> The purpose of this bill is to put Crown corporations on the same level as private companies, to render Crown corporations subject to private law and to take away their privileges under public law.

Crown agencies are distinct entities established as instruments of public policy that have been directly delegated by Parliament, the government or another Crown agency, to specify continuing responsibilities and the decision-making powers that assure them a degree of autonomy from Parliament and the government in pursuit of their tasks.

The responsibilities are assigned to the agencies, not to ministers. Ministers must account to Parliament for the exercise of continuing responsibilities and managerial powers. The extensive and increasing resort to Crown agencies has revealed serious deficiencies in the system which, if left unattended, will only add to the existing state of confusion concerning the status and accountability of a large number of Crown agencies which now comprise virtually a second public service.

It is coincidental that in the response to a question on yesterday's Order Paper concerning Crown corporations, reference was made to an answer received in November, 1980, concerning the number of Crown corporations. I found it an interesting comparison to the number of Crown corporations

that had been listed in a rather lengthy study called the Royal Commission on Financial Management and Accountability, or what is commonly known as the Lambert report. In 1979 the Lambert commission came to a conclusion about the number of Crown corporations. At about the same time an answer given by the government to a member's question showed that there was a discrepancy of approximately 40 between the high and the low. The high figure given in October, 1980, was 464 Crown corporations.

The regimes of accountability are tied primarily to financial management arrangements, while larger issues of accountability to Parliament for mandate and to the government for policy have not been adequately covered. This inadequacy for accountability will result in some decline in confidence in the Crown agency as a valid instrument for the implementation of public policy objectives.

According to the Lambert report, as of January, 1979, the official count was 429. As I mentioned earlier, just a few months later we were given a response by the government that the count was 464. I suppose there is some logical reason for this difference of 35 Crown agencies. I recognize the problems as many of the Crown agencies are dormant subsidiaries.

The first group of Crown agencies includes regulatory agencies, administrative or deciding tribunals, temporary bodies such as royal commissions and operating agencies like the National Film Board and central agencies. Departmental Crown corporations encompass such different entities as advisory and granting councils like the Medical Research Council, and regulatory agencies such as the Atomic Energy Control Board. Wholly-owned Crown corporations with varying degrees of commercial orientation and financial self-sufficiency include marketing agencies, such as the Canadian Saltfish Corporation, a number of corporations conducting business for the government, such as Defence Construction (1951) Limited, and a smaller number operating in a wider market like Atomic Energy of Canada Limited. The 21 proprietary corporations are mainly engaged in commercial operations, for example, Air Canada and VIA Rail Canada Inc. But they also include financial guarantee and insurance concerns like the Export Development Corporation and the Farm Credit Corporation.

Other government corporations seem to have few common characteristics other than the fact that they have been purchased, created, or sponsored by the federal government, and range from the Bank of Canada through de Havilland Aircraft of Canada Limited and the Standards Council of Canada, to the Belleville Harbour Commission.

Under the heading "Mixed Enterprise Corporations" are listed 24 enterprises, ranging from the Canada Development Corporation to the Blue Water Bridge Authority. These are share capital corporations owned or controlled jointly by the federal government and other governments, organizations, or individuals.

I should like to quote from page 279 of the Lambert report where the following passage occurs:

> It is simply not possible to rely on the present schedules to the Financial Administration Act, which cover such a small number of the agencies and where the criteria for classification are minimal and inconsistently applied.

I should also like to put on record one of the recommendations contained in the report of the Royal Commission on Financial Management and Accountability which appears on page 289 of the report and reads as follows:

> 16.1 the Schedules to the Financial Administration Act be replaced by a more comprehensive set of schedules in accordance with four categories:
>
> (1) Ministerial and other designated departments
>
> (2) Independent deciding and advisory bodies
>
> (3) Crown corporations
>
> (4) Shared enterprises
>
> and that when any re-scheduling occurs such decisions be tabled for the information of Parliament.

The Financial Administration Act of 1951 established a general framework for the government, Parliament, and almost the entire spectrum of Crown agencies with respect to financial management and reporting. A change since 1951, as a result of the growth in the number of Crown agencies and the failure to include them in the schedules, is the weakening of the Financial Admnistration Act as the cornerstone of the management and accountability relationships among Parliament, the government and the semi-autonomous agencies.

● (1720)

Since 1951, a large number of government corporations, such as the Canada Development Corporation, the Canada Council and de Havilland Aircraft of Canada Limited have been created or acquired without being scheduled under the FAA. As a result, provisions for their accountability to the Crown are essentially idiosyncratic, founded either on the provisions of their particular constituent acts or on the powers available to the Crown under the general corporation law under which they were incorporated.

The management and accountability relationships of agency and proprietary Crown corporations to the government and Parliament are largely founded on the financial control provisions of the FAA. These include government power to approve annual capital and, for agency corporations, operating budgets and resulting contracts and major expenditures. For the Crown corporations which operate under schedules C and D, the minister would appear to have the power to issue policy directives in the form of unanimous shareholder agreements. These corporations include Atomic Energy of Canada Limited, Loto Canada Incorporated, Eldorado Nuclear Limited and the Northern Transportation Company Limited.

The government readily admits that it does not have the capacity to give policy direction to Crown corporations. Public sector boards must reconcile themselves to some continuing surveillance and controls. It is in this light, I believe, that the following recommendation has been made concerning the Crown agencies that the Lambert commission has named. Recommendation 18.12 of the Lambert report reads as follows:

> The annual reports ... be automatically and permanently referred to the appropriate standing committees of the House of Commons, and that they

provide a thorough description of the activities of the preceding year including both achievements and problems, a record of reports issued and directives received, and plans for the coming year.

The managerial requirement for insulation from the political process can, at times, be in conflict with the need to be responsive to the national interests as determined by the government. Although it may be somewhat tiresome so to do, I feel that in conclusion I must read yet another recommendation found in the Lambert report. Recommendation 19.21 reads as follows:

—the designated minister be required to undertake a review of the mandate and operations of Crown corporations not less than once every ten years and further that the results of such reviews be tabled in Parliament and referred automatically for study and appropriate action to the relevant standing committee.

Obviously, the point is that at the moment we have some difficulty and conflict between the assumed independence of many of the Crown corporations and the fact that they are operating with some policy directions from ministers or from the government. We have some difficulty, as Members of Parliament, in adequately questioning and receiving reports from these various Crown corporations. We sometimes get an attitude, if they do appear in committee, that they are independent, either of the government or of Parliament. It is sometimes very difficult for us to impress upon these same Crown corporations that they owe their lives to this Parliament. In fact, the continuing operation of many which receive moneys in the estimates each year is conditional on approval of the estimates.

We made this point somewhat forcefully a few years ago when we were having difficulty with the Canadian Broadcasting Corporation. We tried to indicate to the corporation that the public had a right to know what was going on within the corporation, since the public purse was financing the operation to the extent of almost $400 million at that time. As to today, of course, the Canadian Broadcasting Corporation uses up approximately $600 million from the public purse.

We took a rather unusual step, back in those days, in illustrating that while we perhaps did not have any specific lines of reporting to hon. members, we had one ultimate weapon. That, of course, was to cut their budget. This we did, with some success, back in 1973 when we were operating a minority government. It caused quite a stir at the time, and this point is obvious to everyone, because even though the government's estimates are listed in the name of a Crown corporation, any cut in the moneys which is assumed to flow to a Crown corporation would be a cut in the government's estimates. However, the point was made. The point, of course, is simply that many Crown corporations owe their continuing existence to the moneys which they receive through the estimates. In that respect, I suppose Members of Parliament can exercise some measure of control. However, this is a rather indirect and, I think, unwieldy type of weapon. I believe the minister has given some indication that he intends to introduce a bill at an early date which would change the reporting responsibilities of the Crown corporations.

For what it is worth, during my last remaining couple of minutes I would express my personal opinion that if the Crown corporations are to be executing the policies of the government, then the government should be directly responsible for the operation of the Crown corporations. That is a personal point of view. I doubt that that point of view will get very much support. However, I feel very strongly that if the government is responsible for the financing, if the government must answer for the hundreds of millions of dollars that are transferred to the Crown corporations every year, and if the government is to answer in this House for the method and manner of operation of the Crown corporations, then the best way to resolve the difficulty is to ensure that the government also exercise control over the operation of the Crown corporations. In that way we would get rid of any difficulty that anyone might have, and we would not have the conflict of interest which exists at the present time.

I guess that I am dreaming, but that is the way I would like to see it. I would like to see the government take over the responsibility entirely. However, if it is not to be that way, and I presume that arguments will be produced to illustrate why it cannot be that way, then we must at least see a better reporting responsibility to Parliament so that the hon. members themselves will be able to ensure that the moneys which are being spent by the Crown corporations are being wisely spent in the interest of the general public.

Mr. Tom McMillan (Hillsborough): Mr. Speaker, I had not originally intended to speak on Bill C-339 this afternoon. However, I was so moved by the cogency of the arguments put forward by the hon. member for Vaudreuil (Mr. Herbert) that I thought I might contribute a few comments and lend some support to his bill.

I must confess that when I first looked at Bill C-339, and especially when I read the explanatory notes, I had a sharp reaction. I would like to read the explanatory notes which state:

The purpose of this bill is to put Crown corporations on the same level as private companies, to render Crown corporations subject to private law and to take away their privileges under public law.

● (1730)

My knee-jerk response was that this legislation was a poorly disguised effort by the sponsoring member to knock Crown corporations per se. After listening to the hon. member for Vaudreuil, it was clear to me, however, that that was not the motivation behind the bill, and I welcome the fact.

There is a habit in this House, and I think across the land, to knock Crown corporations, to view them, a priori, as somehow antagonistic to the public interest. They are viewed at worst as monsters, at best as an unnecessary drain on the public purse. Often in that connection the point is made that Crown corporations are unwieldy, are the victims of elephantiasis, are unaccountable to Parliament and to the public, and are in many ways less satisfactory as an instrument of public policy than are, say, government line departments. I would be the first to admit that many in my own party hold such views.

Sometimes the views I have described or summarized are accurate; and all of us can think of some corporations to which

these descriptions might apply. Certainly there are inefficiently operated Crown corporations in Canada, as there are in any democratic society.

I would argue, though, that on the whole Crown corporations are an effective instrument of public policy. Some perform very useful functions. In fact, often the functions they perform could only be fulfilled by Crown corporations, or they could be performed best or most effectively by Crown corporations rather than directly by a department of the federal government or the private sector.

Crown corporations are set up because there is the need to have from time to time an arm's length relationship between certain government agencies and politicians so as to avoid interference, to give the agencies an element of freedom, to allow them to pursue a course without day-to-day interference by bureaucrats—and I use that word in the best sense of the word—by politicians or, for that matter, by the public or the media. That is why the CBC, Canadian National Railways and many others were established as Crown corporations: to give them a degree of independence from bureaucratic, public or governmental interference.

I take considerable pride in the fact that it was a Conservative government which fathered a number of our great Crown corporations. The Canadian Broadcasting Corporation is a case in point. Canadian National and the National Film Board and others could also be mentioned.

All of us now and then have problems with the CBC or with Canadian National or with any of a number of others. We complain, strongly and legitimately so, about how they do this or that or do not do this or that. But most of us, I think, would admit that these corporations perform most useful functions that could not be performed nearly as well if they were directly under the thumb of a government minister, of a department, of Parliament or, again, for that matter, of the public.

The railway system in Canada—and I am thinking now of the Canadian National Railway system, rather than of the Canadian Pacific—forged a country out of a vast and thinly populated land. It literally helped Canada become a unified country, from one coast to the other. If the railway had been left entirely to private enterprise, the job would never have been accomplished. In fact, as we all know, most of the component parts that led to the formation of the Canadian National Railways system were once in private hands. Private interests just did not perform the job that needed to be done. The government had to grab the bull by the horns, take the initiative, bring these component parts together, and out of them form a state corporation, if you will, on the basis of which we forged a country out of, as I say, a diverse and thinly populated land.

The CBC is another case in point. Just as the railway brought Canada together geographically, so also did the CBC bring Canada together culturally. To repeat, while we have problems with the CBC—especially when we politicians do not make the national news at night, or for whatever reason; allowing for such possibilities and setting them aside—we must recognize that the Canadian Broadcasting Corporation does a darn fine job in this country. Those of us who knock it do so outrageously unaware of the facts.

Having expressed the importance in principle of Crown corporations as vehicles for national policy, I hasten to add that we have allowed some of these corporations to get out of hand, often wildly. There may well be, as the hon. member for Vaudreuil has pointed out, too many Crown corporations. I suspect that is the case when the government is unable to answer the simple question, "How many corporations does the federal government own?" We have probably reached the point where there are too many. That question was actually put to the responsible minister at a meeting of a standing committee of the House. But the minister could not tell the questioner, a member of the House, how many Crown corporations within a hundred were responsible to Parliament.

Crown corporations have been permitted to become unwieldy, to become gross, much larger in size and much better endowed in funding than needed to be the case given the job at hand. I share with the hon. member for Vaudreuil his concerns about some Crown corporations' lack of responsiveness, of accountability to Parliament and to the public, and of manageability. And I share his concern also about their sheer ineffectiveness in getting the job done that they were set up to do. Many of the points he made, are, in my mind, valid and are ones with which most of us in the House could agree.

Yet, to stress once again the importance of Crown corporations, let me express some real, fundamental, and genuine personal fears about Crown corporations in Canada. The first is that I think too many of them are concentrated in central Canada. I am talking now primarily about the headquarters of Crown corporations. For the life of me, I cannot understand why, by definition, Crown corporations, government departments, agencies, commissions, boards, or what have you, have to be located in almost every instance in central Canada, often in Ottawa; if not in Ottawa then in Toronto or Montreal, but still in central Canada in any event.

• (1740)

To my mind, we in Parliament should pursue, as a matter of public policy, the objective of spreading the industrial benefits of government as widely as possible across this great dominion. Crown corporations, or government in any form, are as much an industry as General Motors, Chrysler, Ford or General Foods. They generate salaries and, in turn, those salaries have a rippling effect throughout the economy. Every community that is directly touched by a Crown corporation benefits.

Why should Ottawa, Toronto and Montreal—central Canada, in general—be the exclusive beneficiaries of the direct presence of government? When a Crown corporation is headquartered in Montreal or Toronto, for example, its purchasing is automatically done in the community in which it is located. If we located the headquarters or main arms of Crown corporations in areas other than just central Canada, that would benefit all the communities concerned and, I suggest, the country as a whole.

Apart from the economic dimension, another reason to spread Crown corporations across the country is that government, in whatever form, should be as close as possible to the people it is intended to serve. Not every Canadian lives in central Canada. Prince Edward Islanders, myself included, are Canadians every bit as much as Ontarians and Quebecers. We have a right to be directly served by Canada's Crown corporations and by other agencies of government through having the instruments of the state located as close as possible to us.

I do not expect every Crown corporation to be moved to our tiny province. Maybe none of them could be. But, certainly, the region of which we are a part is entitled to be considered a suitable setting for some Crown corporations. It is important that government, in every way, be geographically near the people it must serve. In short, we want a piece of the action and, as Canadians, I think we are entitled to it.

A disproportionate number of major Crown corporations is currently headquartered in Toronto, Ottawa and Montreal—in the provinces of Quebec and Ontario. If Crown corporations must be housed in central Canada, I would feel much better if northern Ontario, for example, were considered, and not always Toronto or southern Ontario in general. Northern Quebec should also be considered. It is not out of the question. There is nothing etched in stone which says that a Crown corporation is necessarily inefficient or ineffective because it is headquartered somewhere other than in big metropolitan areas of Canada. It is now possible, with modern communications and technology, with computer systems and other modern methods available, to harness a nation, to have government spread out in a way which perhaps was not possible when most Crown corporations were established in their current locations.

The second and final point which causes me great concern is that, to the extent that Crown corporations have any presence in what is sometimes disparagingly called the hinterlands or the periphery of the country, many of them are steadily withdrawing direct services from those parts of the country.

We are all familiar, for example, with the VIA Rail question, which has been well debated already in the House; so, the facts are widely known. But suffice it to say that in my province of Prince Edward Island, for example, there has been a steady withdrawal of Canadian National. I think that fact has profound implications not just economically or in terms of transportation but also in terms of the visibility of the federal government on the Island. The same is true of the whole Atlantic region and of many parts of western Canada. To use Prince Edward Island as an example again, we first lost direct passenger service on Prince Edward Island in 1969. We later lost a major part of the Carload Centre, which is the main office for the administration of the movement of heavy freight to and from the province and within it. Canadian National then took away the main part of the Car Repair shop, where rail cars are repaired and maintained, both on a routine and emergency basis. Lately we lost half of the Canadian National Express office. The VIA Rail cutbacks were but another step—and probably not the last one—toward the total elimination of Canadian National's presence on Prince Edward Island. If Canadian National is to be withdrawn completely from our province, ignoring the resultant economic and transportation and service disadvantages, just consider the impact on the psyche of the people there. They will see something of their national government removed from them at the very time when that same part of government, CN, is being aggrandized elsewhere in the country.

I think it is important that Air Canada, the CBC, CN and all other Crown corporations have a strong and visible presence in every part of Canada. The more their presence is chipped away in certain parts of the country, the more Canada itself is withdrawn, in a very tangible fashion, from the citizens affected.

Concerning the Atlantic provinces, there has been a propensity—almost an obsession—on the part of the federal government to consolidate the provision of its services either in the heartland of the country, the major metropolitan areas—including Vancouver, for that matter—or in major centres within the outlying regions, to the exclusion of places like Charlottetown and similar smaller centres. I believe this is bad for national unity. It could be demonstrated—but it would take more time than I have available—how harmful to national unity that practice is. It is also bad in terms of sound management. And, most important, it is bad because it is one step farther on a course which will alienate Canadians from one another and pit one region of Canada against another. I think we can be administratively efficient, rational and effective in government without resorting in every instance to bigness—to what I call governmental elephantiasis.

In conclusion, I apologize for being somewhat loquacious because I know that at least one other member wishes to speak. I have considerable sympathy for the rationale of the bill put forth by the hon. member for Vaudreuil (Mr. Herbert), which we are now debating. I congratulate him for his initiative in sponsering the bill and urge all members to give it favourable consideration.

• (1750)

Mr. Ray Skelly (Comox-Powell River): Mr. Speaker, in the few minutes remaining I would like to put some of my perceptions on this problem on the record. I suppose I should congratulate the hon. member for Vaudreuil (Mr. Herbert) for bringing this proposal forward, but it never ceases to astound me that government members should criticize Crown corporations and their operating procedures. I have heard this criticism in private members' hours and in committees. Government members attack the bureaucrats involved with public agencies, but somehow there is a lapse in logic, a failure in perception. They attack the servants but not those who set the policies. I never hear them in question period criticizing the Minister of Transport (Mr. Pepin), the Minister of Communications (Mr. Fox) or the others who are ultimately responsible for the government policy which should direct these corporations. Government members should insist on accountability and clarity of policy, but that never happens. I wonder how that lapse occurs. I am constantly astounded by these attacks.

I wish hon. members opposite would bend their efforts in a much more meaningful way.

I can certainly identify with the comments made by the hon. member for Hillsborough (Mr. McMillan), but again I have some serious questions about his party's approach. The hon. member put on the record clearly that truth is a phenomenon that occurs only in the eye of the beholder. Anyone who says the creation of Canadian National Railways was an achievement should hide his head. It resulted from the bankruptcy of the old Canadian Northern Railroad and, I suppose, Grand Trunk Pacific. There was a colossal mess. In the early part of the twentieth century the Liberal Party supported promoters and wheelers and dealers so that they could rip off the public enormously. The whole system collapsed in a mess, and, at about the time of World War I, the taxpayers of Canada picked up the mess and paid off the financiers and wheelers and dealers. CNR was not a mechanism to weld Canada together or to bind the thin band of population across the country. It was a pay-off to the banks and financiers who operated it in such a manner that it could not function properly. I wondered whether the Liberal Party would take credit for fathering such a monster! Over the years it became evident that the government was required to run it in a responsible fashion, and over the years it has eventually developed into a very credible transportation system.

However, we still hear constant criticism. The federal cabinet is the group that makes policy, and it is very unfortunate that the criticism of hon. members opposite is not directed to the individuals responsible.

I would like to deal with some questions of principle. A Crown corporation is an agency of public policy. I am certain all members of the House believe in a mixed economy. I am certain of it because of the remarks of the hon. member for Hillsborough and the hon. member for Vaudreuil. If we are going to intervene in a mixed economy, we should do it in a very effective way, yet we leave Crown corporations hanging, neither fish nor fowl. We tell them to act like private corporations, to make profits and not to create expenditures for the government.

Clearly one of the basic problems here is that this government has not made up its mind as to what it wants to do with Crown corporations, and I will give a couple of examples. This government is not prepared to clarify its policy. It is not prepared to say that Crown corporations are agencies of public policy. It is not prepared to say that Crown corporations are created for social purposes and that they should be effective and accountable. That does not happen. They are left to hang.

With respect to accountability, we do not see reports to the committees of this House on a regular basis. No reports are laid before Parliament and studied by committees. The committee system is virtually incapable of handling this properly, and I lay that at the feet of the government, but the government attempts to reflect opposition criticism regarding its policies.

The credibility of Crown corporations in this country is stretched very thin when they are used as a mechanism of patronage. They are a means of pork barrelling to an extent that would make a bank robber blush. One of our most prominent Crown corporations inherited a defeated Liberal cabinet minister. Who knows what connections or capabilities the individual had? He might have been the best president ever appointed to that corporation, but the public in Canada did not believe that or accept that. It severely strains the credibility of any organization when one of its prime functions is patronage. This is just not acceptable.

Getting back to the question of being neither fish nor fowl, I would say that Air Canada is probably one of the best airlines in this entire country. There is no doubt about that, but the purpose of that airline is not clear. What does the government intend to do with it? I leave Vancouver weekly, often on the old "red eye special" coming down here at midnight. I have a choice. I can travel on a one-third full Air Canada aircraft or a one-third full CP aircraft. As time passes, the airlines use stretched DC-8s, then DC-8s and then 727s, often with only a third of a load. I cannot see the sense in promoting two or three national air carriers in a market which does not warrant it. What is the policy? What social goal is to be achieved? These things are not clear.

With respect to Petro-Canada, I think it was on October 23, 1973, during a period of minority government that Tommy Douglas stood in the House and made one of the most definitive speeches on energy policy ever made. He advocated and demanded that an energy Crown corporation be created. It was not until the next Parliament that the government managed to address that. It was perfectly content to let foreign multinationals run the country. The government spoke in horror of what would happen if we ever let public enterprise, which, it was said, could not run a peanut stand, into the oil industry.

The government finally did create Petro-Canada but left it spinning its wheels for years, from about 1976 until 1980. No definite purpose had been established for it. Now we see Petro-Canada as a jewel in the dubious crown called the national energy policy. Petro-Canada now has a clear window and a mandate, but I would bet dollars to doughnuts that even Petro-Canada will be corrupted when it comes to throwing benefits to the private sector and placing the burdens on the taxpayer and the public sector. There will be that kind of split. This is what we get continually from both the other parties in the House, and it is a very serious situation.

Government members cannot have it both ways. They want to criticize Crown corporations, but let them go after the government. Let them go after the Minister of Transport, the Minister of Communications, the Minister of Agriculture (Mr. Whelan) and the Minister of Fisheries and Oceans (Mr. LeBlanc). Let us not go after the Crown corporations. Let us direct our attacks properly. I regret it when members of the governing party criticize Crown corporations but do not go to the source. They should be criticizing the policies of their own government.

Mr. Burghardt: Mr. Speaker, this is my first opportunity to take part in a debate, although I have been on my feet during

question period and on motions. Before I get into what I would like to discuss—I think this is a very important matter—I wonder if we might be able to call it six o'clock.

The Acting Speaker (Mr. Blaker): Is the Chair to understand that was the hon. member's maiden speech?

Mr. Burghardt: No.

The Acting Speaker (Mr. Blaker): If that were the case, congratulations certainly would be in order!

The hour provided for the consideration of private members' business having expired, I do now leave the chair until eight o'clock this evening.

At 6 p.m. the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

[*English*]

CANADA OIL AND GAS ACT

MEASURE RESPECTING OIL AND GAS INTERESTS

The House resumed consideration of the motion of Mr. Bussières that Bill C-48, to regulate oil and gas interests in Canada lands and to amend the Oil and Gas Production and Conservation Act, be read the third time and do pass.

Hon. Ron Huntington (Capilano): Mr. Speaker, I am not quite sure where I left off.

Mr. Deans: Don't worry about it.

Mr. Huntington: I thank the House leader of the NDP very much for his advice. He tells me not to worry about it, and I won't. Thank you, sir.

I will start at the point where we are looking at a massive oil import bill in the 1980s when we really should have achieved energy self-sufficiency. This country should have full employment and full use of its productive capacity. We should have applied our minds, brains and interests sensibly toward putting in energy transportation systems that were and are still necessary, and ensuring we have the refinement capacity that we need for the heavier and sour types of oil. We should have moved faster in delivering gas to the east coast as an oil substitute. We knew these programs would have to be put in place eventually. If they had been put in place in a timely, planned manner, we would not be looking at an energy shortfall of some $8 billion this year. In the period 1981-1985, it is estimated that imported energy costs as a result of the shortsightedness, and in fact blindness of this government, will amount to between $55 billion and $60 billion. This will place further pressure on our balance of trade account and on our foreign exchange reserves.

I have read many of the speeches of senior executives of major companies in the industry. I was very impressed with the quality and the amount of research that went into them. I read that the former chairman of the National Energy Board and now vice-president of the Royal Bank's global energy group, estimates that the spending required in this country in the next 20 years on energy alone will be approximately $1.4 trillion in current terms.

We see all kinds of moves on the part of the government to keep us from foreign ownership and to prevent foreigners from having more than 50 per cent of the industry. I guess there is some political sympathy for that. Surely the priority is energy self-sufficiency as fast as we can get it.

It is interesting to note that if you go back in history you find that emerging nations have been developed by foreign interests. As they come up to a wealth-creating capacity, they start to buy back the ownership of their interests. How is this country, with government policies and a budget such as we were given on November 12, ever going to create the wealth needed to supply the demands of capital in the quantities that these senior executives within the country estimate are required just in the energy field?

We only have something like seven years' supply, 7 billion barrels of conventional crude oil remaining in western Canada. Our shortfall is something like 400,000 barrels a day. We now have to deliver ourselves into tar sands and in situ processes. We are having to take, use and put into refining capacity sour and heavy type hydrocarbon oils. All of this is dead in the water while this country struggles with uneconomic matters and budgets that interfere with anything positive in the way of creating wealth, creating our own capital and paying for things ourselves. The combination of the constitutional package, Bill C-48 and the budget, that package of three pieces of legislation, will mean almost total socialization of the counry. The members across the aisle have not learned from those countries that have already tried the state ownership route that it will not bring sufficient wealth to a country to enable it to support the welfare system and answer the demands of the citizens put upon it.

• (2010)

The tragedy is that in the field of energy the free enterprise system has a proven record. It has served the people of Canada very well. It is true that massive amounts of money have been made through free enterprise, but also massive sums have been paid in taxes, and that has been an important element in the cash flow and in the treasury of this country.

I venture to say that if we look at the history and at the spending pattern of the government and if we look at the history of PetroCan, we will find that in two or three years from now PetroCan, with its massive power over the industry, will again be surrounded with the same group of Liberal friends as it moves in to exploration. I would be surprised if

that had not already happened, Mr. Speaker. The losses will be for the people of Canada to bear and the wins will be for the selected backers of the Liberal Party of Canada.

These three pieces of legislation are a massive intervention against the market and the private sector. I do not think there is any member of the House who can say that Parliament is still in control of the programs or the spending power of the nation under the series of Crown corporations that we have put in place. Too many of them cannot even be audited by the Auditor General, and we have not addressed the whole matter of control and accountability over Crown corporations in the Financial Administration Act. Also, no matter how hard the Standing Committee on Public Accounts works, all of these matters keep slowly being buried in the process of more and more studies.

It is a tragedy when the House cannot control the affairs of the nation and have the bureaucrats account for their actions. Bill C-48 has cut the heart out of Canadian operators. It is not only the multinationals that are injured by this bill. They are injured all right, but they have to stay here. They have no place to go. In the other markets of the world they are already established. It is the wholly Canadian-owned companies that are hurt by this bill, the operators, the geologists, the drilling companies, the trucking companies, the supply and service companies, the technologists. They are laying off people, and you can just see the lay-offs within the different sections of the energy industry that are taking place all across the country.

The National Energy Program delivers to Canadian operators something in the neighbourhood of $4 to $7 per barrel in profit. In the U.S. it is a profit of $15 to $25 per barrel. It is no wonder that the trucks are taking the rigs south. It is no wonder the Canadian operators are moving their working capital, talents and expertise down south where the whole exploration industry is booming, where there is a demand and a call for the industry. All of the rigs in Canada are quiet. Only a fraction of our capacity is being utilized. We have not given the industry an incentive to go from shallow well technology into deep well technology as a result of the national energy policy of the Liberal government.

As a result of this, we will have to face some tragedies, and that is the reason the Minister of Energy, Mines and Resources (Mr. Lalonde) has such a low profile these days. He came in very proudly and announced he had an agreement with Alberta, and then a subsequent fast, quickie agreement with British Columbia, and then an agreement with the province of Saskatchewan, the oil producing provinces. The premiers thought everything would stabilize. He could not hear the voices of the advisers, the presidents and the knowledgeable people in the industry who kept telling him that the government was not leaving enough cash flow for the private sector to take a meaningful part in exploration and development.

It is now my understanding that the Minister of Energy, Mines and Resources and the premiers of those provinces have realized they have made a serious mistake. I gather that they are now returning to the drawing tables to draft a program under which they will have to take less for themselves and allow more for the industry so that it can get going.

How will we create this $1.4 trillion in current dollar terms in the next 20 years unless we give the companies in that creative sector, that engineering and risk-taking sector, room to move and some incentive to risk their dollars? Most of the winning technology today is a combination of outside and domestic technology. Why should we penalize so severely the foreign technology and know-how that we need? Why should we make this country so unattractive to the Canadian operators that they now have to go to other markets of the world to survive?

The 8 per cent gross revenue tax effectively reduces corporate earnings by 25 per cent. The retroactivity policy involving 25 per cent of all the holdings of oil and gas companies in the federal or Canada lands should not exist in a country that is bragging about its fair taxation policy.

The principle of retroactivity that exists in Bill C-48, which is now very definitely a Liberal government policy that was announced to the nation on November 12, means that retroactive earnings will now be taxed. Never before has a free country had to contend with this. Not only has retroactivity become a government policy, but they have now removed from under the taxation base of Canada the ability to pay retroactive tax so that you have to pay that tax from other earnings.

I was saying before five o'clock that we were just getting used to the ten years of recovery from the taxation policy set down in 1971. As soon as the oil operators in the country have started to get a handle on the rules of the game, low and behold, on November 12, the government pulls the rug out from under the taxation system and absolutely destroys the decision-making base of this country.

This country cannot progress in conditions where anyone in the industry who is willing to work and take a risk has to wait for some government bureaucrat at some desk in the concrete towers of Ottawa to say yes or no. The country in those circumstances is bound to come to a complete halt. Is socialism worth it, Mr. Speaker? That is what will be delivered to the people of Canada. It will destroy the base that has made this country great. That is what the November 12 budget does, together with Bill C-48. It is the same socialist, elitist thinking that is in Bill C-48 that is also in the November 12 budget. How we can hang on to the bounty, the welfare and the pension plans that we have learned to expect from our system of government in Canada is beyond me.

In the months preceding the budget, with the PetroCan acquisition of Petrofina and CPI acquisition of International Paper, and all the concentration of ownership within the business community and the state sector, we have delivered $17 billion on our foreign exchange reserve account. If one cannot imagine how serious that is, one just has to remember that the reserve base was at $3.7 billion and the government had to borrow $1 billion to bring it back to over $3 billion just a few weeks ago. Yet lying in the wings, as a result of the degree of corporate concentration that this government has allowed through its national energy policy and its pre-budget

era, we have committed ourselves to $17 billion on demand in our foreign exchange account. Can we imagine the pressure it will have on the Canadian dollar? Will there be any chance of interest rates coming down to a reasonable spread above the inflation rate of the land? The incompetence of the government and the mismanagement of the economy will be recorded in the annals of history in terms of absolute treachery and what has been done to a once viable and healthy country.

● (2020)

The Acting Speaker (Mr. Ethier): Order, please. I regret to interrupt the hon. member, but his allotted time has expired. Nevertheless, he may continue with unanimous consent. Is there unanimous consent?

Some hon. Members: Agreed.

An hon. Member: No.

Mr. Stan Schellenberger (Wetaskiwin): Mr. Speaker, it is a pity the hon. member for Capilano (Mr. Huntington) was not allowed to continue. It was worth listening to his comments. I congratulate him for giving hon. members something about which to think.

Some hon. Members: Oh, oh!

Mr. Schellenberger: Hon. members opposite may laugh but these words will haunt them in years to come. We have spent a good deal of time on Bill C-48. It deserves a good deal of our attention because it was poorly drafted. Even the government brought in over 100 amendments to satisfy its own officials that in fact the bill would work. It would not accept any reasonable amendments from the opposition parties, therefore we must now state that the bill is not deserving of passage. It should be taken out of the House, pulled apart and redrafted so that Canadians receive the oil and mineral wealth of the north and offshore. The government should provide incentives to create competition. Then companies would go into areas with tough weather conditions, ice—periods of time when there is no daylight and so forth—conditions which make it difficult to explore. There must be incentives for people and companies to go into those areas as well as offshore. Most of us cannot even visualize drilling on a rig a number of miles offshore in rough waters.

Tonight I should like to outline the picture of energy we now face and to determine why the bill will not work or will not be of assistance in reaching the goal of self-sufficiency. Also I should like to deal with a number of groups who have mentioned the reasons for their concerns in regard to the bill. On a net basis we presently import some 400,000 barrels of oil per day, which is roughly 22 per cent of our daily needs of approximately 1.8 million barrels per day. At current world prices of some $44 per barrel, oil imports cost Canada some $17.6 million per day or $6.4 billion per year. The situation will become worse in the next few years.

At present our domestic oil supplies come from fields in western Canada and from the Syncrude and Suncor plants. Western Canadian reserves of conventional, light and medium crude, which account for 90 per cent of present production, are now more than 60 per cent depleted. Production from existing fields is declining at a rate of approximately 10 per cent per year. Production capacity of existing fields is now about 1.1 million barrels per day. By 1985 it will have declined to about 850,000 barrels per day, and by 1990 to only 500,000 barrels per day. Obviously the Government of Canada had to get a grip on the situation, establish some priorities and devise a strategy to move Canada toward self-sufficiency.

I should like to refer to some potential sources of increased domestic supply. There are undiscovered conventional supplies of oil in western Canada—there is no doubt about it. We can extract additional barrels of oil from heavy oil and from the tar sands, but the National Energy Program and present negotiating conditions are not allowing these plants to go ahead. But the potential is there. Also there is an ability with present technology to draw the in situ capacity from depleted wells in the conventional fields of western Canada. The first such plant, the Imperial Oil plant at Judy Creek, is now on hold because there is not sufficient incentive for the company to invest money to bring the plant onstream.

Of course, we know there is oil in the frontier areas of Canada—the north, the Beaufort Sea, the Mackenzie Delta, and off the east coasts of Newfoundland and Labrador. It is clear that the National Energy Program is geared toward the offshore and the north. Its whole approach to self-sufficiency is that we can catch up on our imports and control them through conservation. It is an important theory because conservation is an easy way to protect the consumption of barrels of oil. However, our record in the past has not been good. It is improving, and hopefully it will continue to improve. Part of the plan is the use of conservation until the late 1980s when oil from offshore and from frontier areas can be brought onstream. Supposedly we would have self-sufficiency by 1990. When we consider the budget and what is contained in this bill, it is obvious that the government is geared toward gutting the industry in western Canada and promoting, as much as possible, government control of the industry offshore and in the north. As the hon. member for Capilano said, as a result hundreds of millions of dollars are being forced offshore, south of the border; thousands of trained professional people are being lost to the United States; and hundreds of rigs are no longer drilling in our basin. Of the 10,000 exploratory wells that were expected to be drilled in western Canada in 1981, only 6,400 will be completed, while a significant part of the oil service industry has been emigrating to the United States in search of employment and adequate returns. Major enhanced recovery initiatives, such as the Imperial Oil Judy Creek project, have been shelved.

It has been estimated by the Canadian Petroleum Association that, in terms of activity levels, the industry has stepped backward about three years as a result of the National Energy Program. It has had a devastating effect upon oil drilling in my area which produces two-thirds of the conventional oil in the nation. The largest Canadian industrial park, which has as

its main components oil servicing and oil well drilling companies, has been devastated; $100 million has been lost in that small region of Canada, along with thousands of jobs. It is difficult to understand why the government would create a policy which has driven many experts away from that area of Alberta into the United States.

I should like to refer to a few statistics which have appeared constantly in Edmonton newspapers. For example, hundreds of trailer camps sit idle in Edmonton industrial yards. During the past year more than 650 people have been laid off in the industrial trailer camp manufacturing industry in Alberta. Since the fall of 1980, the Territorial Company in Edmonton has cut back its manufacturing and service staff from 500 people to 271. Six other industrial camp producers in the Edmonton area cut their staff by 30 per cent to 75 per cent. These are people who just a few years ago put their money on the line. They bought a piece of property, put up a building, hired their neighbours to come in and build the trailer camps that would provide catering capacity for the oil drilling industry. Some of them bought small service rigs to assist in the drilling industry. Many of the companies that drilled were unable to make a decent return, and so had no choice but to either leave their rigs idle or move to the United States.

● (2030)

During the past year, manufacturing employment in Alberta has dropped by 8,000 jobs. That is a significant number in a province that had been booming. The demand for workers has increased in other areas, and that has absorbed some of the people who had been thrown out of their jobs.

Other areas, such as the construction industry, have been able to absorb some of the unemployed. The Edmonton *Journal* conducted a survey of specific businesses. The result shows that more than 1,200 people have already been laid off in the industrial camp manufacturing and camp catering sector. That is a small but intense sector. Company officials predict that the prospects for this winter look even worse. Some industry estimates place the employment impact at between 20,000 and 25,000 jobs, including about 8,000 jobs lost in the oil patch and 15,000 jobs lost in related industries.

Many of these people were producing for the north—for camps and catering facilities working in the Beaufort Sea. I hope that activity will continue in that area so that more people are not laid off there.

There is a lack of incentive for business in the bill, Mr. Speaker. It has been demonstrated that profitability in the United States is about four times higher than in Canada. Quite clearly, then, the government has placed its energy priorities in the offshore, and Bill C-48 was supposed to set regulations to attract industry into that area.

The bill is also supposed to regulate the Canada lands. Obviously there is a great deal of potential in these areas, so we could have expected the government to bring in a bill that would provide incentives and encourage companies to work in the north. But there are only disincentives. There are back-in provisions and there are extraordinary taxes. It does not even allow the deduction of interest as a legitimate expense. Instead of incentives, we find provisions in the bill that will go a long way toward reducing competition, discouraging investment and deterring the industry.

The taxes contained in the bill will have the effect of discouraging all but perhaps three or four companies from working in the north. Of course, Petro-Canada will be the favourite son. As far as real competition in the north and the offshore is concerned, however, there will be virtually none.

Anyone who has heard me speak on this bill in this chamber before will know how strongly I feel about the value of competition in a sector that is supposed to make us self-sufficient in oil and gas in the future. Competition has been very successful in the past, but it has virtually been made ineffective by this bill. I do not intend to go through that argument again. I have already spent some time explaining why the bill will have that result again.

Competition is essential when we deal with an industry such as the resource industry with its implications for our businesses, our economic wellbeing, our very lifestyle and our employment situation. This is the one industry that was growing rapidly and employing new people. At one time it was growing so rapidly that we could not supply enough geologists and chemists to meet the demand.

One of the reasons why competition in this industry is so important is that we now have on the books a bill that states that companies must table their core samples and drilling results after one year.

In many cases, company geologists will find that, although another company drilled a hole a year earlier and found nothing, they, using a different technique and with different abilities and different intellectual capacities, can go back into that area, drill again and find gas and oil. One of the largest gas fields in North America was discovered in this way. A large company had drilled in northwestern Alberta, but it was a dry hole. A year later another company, Canadian Hunter, checked the results, went back to that area and drilled again. It found the largest field of natural gas in North America.

Other small companies with good geologists have been extraordinarily successful in Alberta, Saskatchewan and British Columbia. They have studied the core samples of other companies, and a year later have found what was missed. That is what competition does, Mr. Speaker.

Two or three companies can explore a huge area, such as the offshore in the Northwest Territories and Yukon. They can have the same geologists, the same people throughout their whole bureaucracy, so there is no big gap in intellectual capacity. If they do not make a find then, as things stand under this bill, other companies will not be interested in going in to test again because they will not be able to afford it.

This area has the greatest potential for oil and gas in North America but we are putting a law on the books that provides incentives for only two or three companies. I find that very hard to understand, Mr. Speaker.

On the one hand, the government is saying that we need to be self-sufficient by 1990 and that we can do that by developing the north and the offshore. On the other hand, it seems to bend over backwards to discourage the very activity it seeks. The only area in which it has been successful is the nationalization program which results in many hundreds of millions of Canadian dollars going out of the country when they are needed to develop our own industry. And this money does not produce one more barrel of oil, Mr. Speaker.

The taxation regime which this bill puts in place imposes a 10 per cent basic royalty; a 40 per cent participating royalty after a 25 per cent return on investment; an 8 per cent gas and oil production tax; and a unique 25 per cent back-in tax. As the hon. member for Capilano said, no other country in the free world has done this. The total of these taxes is over 83 per cent, Mr. Speaker.

The government can claim that it plans to give an exploration grant depending upon the degree of Canadian ownership, and that it does not allow deductions for legitimate business expenses such as interest. That is a very small incentive for an area of so much risk such as the north. Most companies would not consider going into an area like that unless the potential return on investment was between 20 per cent and 25 per cent.

● (2040)

Some countries in the world have used a different system to encourage companies to go into high risk areas. In these countries, a company which finds a well that has a production capacity is allowed to use all the wealth from that oil production to pay off its debt first rather than to pay large interest costs and other costs such as royalties and taxes. Once the debt is paid off, the government then comes in with its royalty and profit tax. This system is much more successful than ours and is having tremendous success in countries such as Norway. I believe that is something we should seriously consider for our northern regions because of the high costs of exploration in those areas. As well, as I said before, we will really only allow three or four companies into the north, companies which can operate under this tax regime.

Let us look at the effect that that may have on self-sufficiency. Let us take a look at a small area around the town of Leduc in the Nisku-Drayton Valley of the province of Alberta. We have been exploring in that area for over 30 years. Tens of thousands of holes have been drilled by hundreds of companies, and the success rate over those 30 years has been very good. Even today, in that very area, we are still discovering oil and natural gas. Just a few weeks ago we drilled a new well which is producing 700 barrels of oil per day. Therefore, if only three or four companies start operating in the north, in an area which is 50 to 60 times the size of the area I have mentioned, unless they are extremely lucky, they will not achieve the same kind of production that could come on stream in the next four or five years if we had good competition and a number of experts working in that area.

The back-in provision in Bill C-48 causes me a great deal of difficulty. I cannot disagree more strongly with this tax. These were not rules upon which companies went into the north and risked their capital. People went into the north, took the risks and stayed a long time away from home, often for questionable returns. Those rules were not there at that time. Companies went up into that region because they expected to find something. They were prepared to take profits that they were earning from producing wells in other parts of Canada and place those profits in the north through incentives that we made available such as a depletion allowance.

Now the minister is saying, "Well, we have a right to this back-in provision because the Canadian taxpayer has, in fact, already paid for it." That is just a lot of nonsense! If incentive is provided for a company to go in there, it does so in good faith. However, when it has made a discovery and a back-in provision is put in place, it is no wonder it puts little trust in the government. How can one have any trust anymore? What private company will put its capital on the line when it is not sure what the government will come up with two years or three years down the way?

Even if we, as a government, wanted to put in a provision which would allow a 25 per cent part of the play to a Crown corporation, surely we should have made that effective in 1982 or 1983, which would have allowed companies to prepare for it. I know that the Dome Petroleum Company, which has spent a lot of time and effort and has been very successful in the north, has placed before us a proposal regarding the 25 per cent back-in in Canada lands. I think it is a proposal which should be given consideration. However, if we want to impose such a tax, and I certainly do not think we need to, surely we should have put the tax in place as of 1981, 1982 or 1983, with 5 per cent one year and 10 per cent the next, or something of that sort. That would have been more fair to the companies which are spending time and effort in that region.

As my time in this debate draws to an end, I want to place on the record the concerns of another group regarding this bill. They are the concerns of the people who have lived in the north for many years. The majority of them are native people. They have particular concern with this bill because it is coming at a time when their land claims are just now moving toward settlement. If a lot of drilling does go on in that area, they are unsure whether they can lay claim to the land where a drilling rig is situated. That concern is not defined in this bill. It is not settled anywhere. I can see only one section which pertains to this matter, Section 5(7), which states:

—nothing in this Act abrogates or derogates from any aboriginal title, right or claim that pertained to the aboriginal peoples of Canada prior to the coming into force of this Act—

While the section is included in the hope that it will, in fact, protect native people, they are very concerned about this bill. Nothing in this bill will exempt lands from being claimed. It is unlikely that lands under development will be surrendered by the government to natives claiming them. Harry Daniels, the outgoing president of the Native Council of Canada, has pointed out the very problem that lies in this section. He stated that:

—once the drill rigs are up and production centres on the drawing boards and approved by government, there will be no turning back. Do you really think that under those circumstances the government would withdraw those lands?

These are legitimate concerns. When we look at the COPE settlement, lands that were under exploration at the time were withdrawn from the negotiating area.

Another area of concern is the Norman Wells development. Under this bill, the area around the Norman Wells production sources and refining area is not included. Section 10(2)(d) provides for equitable participation by the aboriginal peoples affected by the particular exploration agreement. This is fine, and this is a good section. However, where will these people get the equity? From where will they get the money? In most instances, these people have no funds at all. They have no capacity for raising funds to participate in an equitable sense. In the southern provinces, in Saskatchewan and Alberta, we have set up trust funds for future generations to participate in the wealth from oil and gas. It would seem to me that we could learn something from this and apply it to the Northwest Territories and Yukon, as well as the native people in that area. It would make sense if we were to put a section in this bill setting up a trust fund which would come from the earnings of oil and gas production in the area, so that these people could use that money to begin equitable participation in the north and, hopefully, make some discoveries on their own. However, without that type of suggestion or initiative, there is simply no way that they can get the equity, the billions of dollars that it costs to drill a well offshore in the Beaufort Sea or in the Mackenzie Delta. This is something which should have been considered, and Section 10(2)(d) will really be meaningless unless we have some way of providing the initial capacity for equity in the north.

For all these reasons, and there are many more which my colleagues have stated, this bill should be withdrawn, pulled apart section by section, and redrafted so that under the new provisions we can reach energy self-sufficiency by 1990 or soon thereafter. If we put this bill in place now, even though some of its rules will assist, we will not reach that goal. We will not have the kind of competitiveness necessary in the north. We will not have the necessary oil companies and people in that area, and we will fail our country miserably.

For that reason, I say that it would be impossible for me to vote in favour of Bill C-48. I hope that the House will seriously consider all the reasons that my colleagues and I are putting forward.

Some hon. Members: Hear, hear!

● (2050)

Mr. John Thomson (Calgary South): Mr. Speaker, I saw the Minister of Energy, Mines and Resources (Mr. Lalonde) in the House this afternoon and it was my hope he would be here tonight because there is something I wanted to say to him. It takes a big man in this life to admit a mistake. The National Energy Program is surely a mistake of tragic proportion for Canadians. The Minister of Energy has had an opportunity, since becoming the minister and having spent some time as critic when we were in government, to learn something about the oil industry. In all fairness to the minister, I think he is a big enough man to admit a mistake.

This National Energy Program will be changed. We are not going to change it here tonight on third reading, but it is going to be changed because there is no incentive left for the oil industry to go out and explore for the oil and gas we desperately need. Strangely enough, there is still 40 per cent of the Canadian population who believe we do not have a problem even today. Some 40 per cent of Canadians do not think we have a problem in terms of future oil and gas supplies. They think this has all been rigged, and that somehow the government and the major oil companies have perpetrated a fraud on the Canadian people. The National Energy Program will be changed, and I would have thought that the Minister of Energy was a big enough man to recognize the need for such a change at this time.

The minister has said there are some anomalies in the program and that Premier Lougheed and the Alberta government can sort out these anomalies and give the industry a few little handouts here and there which will encourage the industry to go back to work. This is not something that requires a band-aid solution, and the Alberta government cannot do it all by itself.

Let me assure you that the National Energy Program needs to be changed in its basic, fundamental thrust. It is completely out of tune with the reality of the industry and the needs of the Canadian people. Essentially, the reason for that is that there is no incentive left.

I have been involved in the oil and gas business for 20 years. The new oil prices under the National Energy Program are very attractive. If I could believe, first of all, that we were going to get that kind of price for our oil and, second, if I could trust the government not to go in and confiscate what I had found, I might be prepared to go and look for it, but I do not trust the government. Therein lies the fundamental problem with the investors today who want to go out and invest in the oil and gas industry.

The investor does not believe in the prices which have been projected forward and, moreover, he believes that if he does find it, the government will not allow him to keep it. Why should he believe that? Every time any investor has gone out and found oil or gas in this country, the federal government or provincial governments have stolen it from him. Why should an investor trust a government today? I would not.

I am prepared to accept the fact that part of the downturn in the oil and gas industry we have seen in Alberta—and we have seen a massive downturn in activity—is a result of the fact that we cannot export our gas. We have huge reserves of shut-in gas in Alberta today and we cannot export it and we do not have the pipeline to deliver it to eastern Canada in place as yet. I accept that fact as part of the reason our industry has suffered a slowdown. The National Energy Program has gone much further than that in causing the disaster we are experiencing in my province of Alberta today.

Let me return to the main objectives of the National Energy Program. When the program was introduced a year ago in the House the Minister of Finance (Mr. MacEachen) said the objectives were security of supply, fairness in terms of revenue sharing and an opportunity for Canadians. I guess there is not a member in the House or a person in Canada who would not agree with these noble objectives. We all want energy security, we would like to think revenues are being fairly shared and, above all, we would like to think there is an opportunity for Canadians. Those are admirable objectives.

Has the National Energy Program really provided us with a program to achieve energy security? Do we in fact have a fair sharing of revenues, and has the program created an opportunity for Canadians? From my perspective, the energy program has failed on all counts. In spite of what the Minister of Energy continues to say, there is absolutely no hope that we will be self-sufficient in oil by 1990. I am not going to go back into my arguments; I spoke for 40 minutes a few weeks ago explaining why we are not going to be self-sufficient in oil. This is a myth and a delusion and the Minister of Energy and the officials of Energy, Mines and Resources know it to be a myth and a delusion. It is a sham to pretend to the Canadian people that we can be self-sufficient in oil in 1990. That is simply a falsehood. It is done to sound nice to the Canadian people. It is decisive and it represents confidence, and Canadians above all need confidence. "Let us not face the truth; above all, let us not face the truth. Let us bury our heads in the sands and let us deceive one another", they say.

I can recall Mr. Gillespie, the former minister of energy, saying in 1974, "There is no problem, Canadians, we have a program in place for you and we will be self-sufficient in 1980." Oh, yes, we are self-sufficient in 1980. Certainly we are; we are buying 400,000 barrels of oil a day. This government and the minister of energy are no less deceitful than the minister who preceded him, Mr. Gillespie.

The National Energy Program will result in the need to at least double our imports of foreign oil before the end of the decade. This is a matter of simple arithmetic. There is no great complexity to this at all. Our domestic reserves are declining. Our total consumption is estimated to remain about the same, and there is no viable method in place for making up the difference in the next decade. The minister knows it and Energy, Mines and Resources people know it. Those are the facts. This is not only my opinion, it is the opinion of many knowledgeable authorities in Canada who are not trying to deceive the Canadian people. That is energy self-sufficiency for Canadians? That is oil self-sufficiency by 1990? Forget it, because it is not there.

● (2100)

Let us talk about fairness in revenue-sharing. I suppose that fairness in revenue sharing depends on your point of view. If you are the federal government, you would be rubbing your hands in glee because you just took $55 billion from the Canadian people and you think that is a fair share of revenue. The Alberta government did all right, too. They did not do any worse than the federal government. It got a big slice of pie. The province of Ontario got its pound of flesh.

The consumer is paying 75 per cent of the price for gasoline and heating fuel in the form of government taxes and royalties between the federal and provincial levels. The government leaves the industry 25 per cent to find the oil, produce it, refine it and deliver it to our automobiles. Some may say that is all right, that there is nothing wrong with 25 per cent, that it seems like a good number because, after all, these oil companies are making huge sums of money.

Can we really look at anything in terms of the absolute amount of money which is made? In this case we are looking at literally billions of dollars which oil companies have to spend to build an oil sands plant and hundreds of millions of dollars to drill in the Beaufort Sea and Hibernia. These are also large sums of money which have to be spent. I suggest that the oil companies' rate of return, the amount of money they receive from their invested assets, is less than that of the manufacturing industry in Ontario. In 1980, the oil industry in Canada had an 11 per cent rate of return on its total invested capital, as compared to 13 per cent for all manufacturing industries in Canada.

Is 25 per cent adequate? If it is, why is the oil and gas exploration industry not taking advantage of this opportunity? If this opportunity is so great, why are 150 rigs in western Canada shut down for lack of work, and why have the 214 rigs drilling in western Canada left the country? Tell me why an additional 48 rigs will leave the country in the next few months? And why is it that 161 oil well servicing rigs are not working today and 92 oil well servicing rigs have left the country? An additional 52 oil well servicing rigs will be sold or shipped out of Canada in the next few months. The difference between a drilling rig and an oil well servicing rig is that a drilling rig is used for the original discovery and the oil well servicing rig comes in afterward to be used for remedial work and to make the oil well continue to produce at a sustainable level.

If the National Energy Program is such a great opportunity, why is it that the oil and gas industry has lost the services of 8,000 field workers? Those 8,000 men have worked on those drilling and service rigs as well as all the other equipment involved in the oil industry. Why did 8,000 of these workers lose their jobs? Many of them have left Canada and will not be back.

If this is such a great opportunity, why is it that our independent oil companies have moved in droves to the United States, Australia and other countries? If 25 per cent of the revenues is such a great deal in Canada, why are these companies moving out of Canada in droves? These companies have moved $3 billion worth of capital out of the country in the last year. Did the government not think Canadians wanted to explore in Canada if given an adequate opportunity and the incentive? Does this indicate a fair sharing of revenues to you, Mr. Speaker?

The Minister of Energy, Mines and Resources has said that some elements of the oil and gas industry have expressed

disappointment about the impact of the energy agreement on cash flow. Well, how about that? He goes on to say, "I believe this approach reflects, in most cases, a preoccupation with short-term prospects". When a company is literally facing bankruptcy, as many small oil and gas companies are today, and I do not exaggerate that fact for a moment, is it not surprising that one would be looking at shorter term prospects? If you need evidence, just talk to a banker in Calgary. He will tell you that there are at least a hundred small oil and gas companies which will not be around at this time next year if there is not a change. If you want to buy oil and gas reserves, there is ample opportunity to do so because there are many for sale in Calgary and Edmonton today. As I said, if you were in this position, would you not be looking for shorter-term prospects? After all, you may not be around long enough to look at long-term prospects.

The minister of energy says, "I would think that the ability to explore and develop in Alberta, or anywhere else, would not be enhanced by conveying to investors an overly dark picture of industry prospects on the basis of some short-term and entirely predictable factors." What does he mean? Does he think that oil companies can persuade investors to risk their money on oil and gas exploration by simply telling them that the National Energy Program is a wonderful opportunity and that these investors should get on board? Does he really believe that private investors are that naive? Is the minister suggesting that the industry should be telling private investors that the National Energy Program is a wonderful opportunity to make money? Is he suggesting that we lie to them and try to deceive them into investing their money?

Investors know the facts and have read about them. That is why the oil and gas index on junior oil companies listed on the Toronto Stock Exchange has declined by more than 35 per cent since the introduction of the National Energy Program. I might say that the junior oil companies in Canada have suffered more than the industry as a whole because they have been affected to a greater degree than any other part of the industry. They do not have the cash flow to sustain their operations as do the multinationals which have downstream benefits from petrochemical and refining operations from which they will be able to sustain themselves.

However, the junior oil and gas companies have risked large ammounts of money in the search for oil and gas reserves, and in many cases they have those reserves in the ground and have not yet had the opportunity to develop a sufficient cash flow to sustain themselves because their assets are invested in exploration. They invested their assets in the ground before the National Energy Program began because they felt they had an opportunity to make a dollar.

The minister says that there has been a dispute between the industry and the government over netbacks on oil and gas. Netback is a term commonly used in the industry and it means the net amount left over after expenses and taxes have been taken from gross revenue. The minister went on to say that when the government calculates the netbacks, "we assume the producer is reinvesting heavily and therefore qualifies for tax write-offs." Well, indeed he does. There is no question about that. If he reinvests, he qualifies for tax write-offs. The minister went on to say that the government uses what the government calls an effective tax rate. The effective tax rate is the rate of tax paid after having taken all write-offs. This statement is absolute nonsense. Do hon. members assume that an investor or anyone else does not have to pay his full rate of income tax? Is that the assumption we should make? Sooner or later every investor knows that if he is going to put a dollar into his pocket, he is going to have to pay a dollar to the Crown.

• (2110)

One does not assess business opportunities based on avoiding income taxes. That is what the minister is asking the industry to do, and that is what he is asking the investment community to do. He is asking them to assess their opportunities based on the fact that they can continue to write off, write off, and write off. However, there comes a day when perhaps one does not want to write off any more. Perhaps a person does not want to be in the oil and gas business anymore. An individual investor drills a well and finds oil and gas. Perhaps he wants to go on and do something different and pay his taxes. Perhaps he does not want to reinvest in another oil or gas well. Should he not be allowed to assess his investment without having to take into consideration the fact that he is compelled to go back in and reinvest his profits in an oil and gas venture? The minister's statement is absolutely dishonest, and he knows it. Investors make decisions on paying their income taxes, not avoiding them.

Finally, the third cornerstone of the National Energy Program is opportunity for Canadians. I would like just one Canadian to tell me what opportunities have been created for him by virtue of the National Energy Program. Let hon. members opposite tell the 8,000 rig workers who have lost their jobs what a great opportunity the National Energy Program has provided for them. Maybe the Parliamentary Secretary to the Minister of Energy, Mines and Resources (Mr. MacLaren) would like to go and talk to those 8,000 workers in Alberta and tell them what a great opportunity it has been for them. Let him tell the investors in the small Canadian oil and gas companies what a great opportunity it has been for them. They just lost 35 per cent of their investment, but let the parliamentary secretary go and tell them what a great opportunity it has been for them. Let him tell all the contractors and the engineering firms who were making plans to help build Cold Lake, the in situ project in Alberta. Let him go and tell them. Let him tell all the contractors and engineering firms connected with the Alsands project what a great opportunity it has been for them. Let him tell the manufacturers of equipment in Ontario and Quebec what a great opportunity the National Energy Program has been for them.

Finally, let him tell the consumers what a great opportunity they have had when gasoline prices and home heating fuel prices have doubled since the National Energy Program. A super opportunity! Let him tell the thousands of people in

Calgary who were formerly employed in the oil and gas industry and have had to move their families and their homes to the United States to make a living what a great opportunity the National Energy Program has been for them.

In summary, the National Energy Program, in terms of energy security, fairness and opportunity, is an unmitigated disaster. It is a disaster for which all Canadians will pay dearly. They are paying dearly for it right now in the prices of oil products such as gasoline and home heating fuel, and the tragedy of it all is that they are not getting a thing for it. The provincial and federal governments are getting it all, and the consumer is getting nothing. He is not getting energy security, he is not getting opportunity and he is not getting fairness.

I have said that the National Energy Program has denied investors the incentive to invest in their own country and denied workers jobs. Above all, Canadians have been denied the economic growth that would come from a healthy oil and gas industry.

Let me turn more particularly to Bill C-48 which we have before us this evening. Bill C-48 is particularly important because it deals with the opportunity to find truly enormous reserves of oil and gas in our frontier areas offshore, in the Arctic and in the Northwest Territories. On one point I agree with the federal government and the Minister of Energy, Mines and Resources, and that is with respect to the prominent role Canada lands should play in the future development of energy in Canada. On that point I fully agree. Discoveries in Canada lands should account for an increasingly larger share of exploration and development in the future. The importance of Canada lands to Canada cannot be stressed too much. They are absolutely critical to our energy security and, moreover, they provide us with an opportunity of untold proportions to build a strong Canadian economy by putting people, capital and equipment together to capture the enormous wealth under Canada lands and waters. We really have a fantastic opportunity. We have an opportunity no other country in the world I can think of has to build a strong economy and give the best standard of living to every Canadian, if we want to go out and grasp it and develop our resources in the Canada lands. However, there will have to be some prerequisites to that. We will have to allow the private sector to go out and do it because no government can do that for us, unless we completely nationalize everything in the country and abandon all concepts of the private sector.

The amount of money required to develop our resources in the frontier areas in the Northwest Territories and offshore is staggering. The Royal Bank, to quote a number—I do not know whether hon. members want to believe it or not, but others have come up with the same number—has said that we need $400 billion in the next decade to do that job. I really wonder whether we want to pay taxes to that extent and let Petro-Canada do it. I am not going to get into the Petro-Canada argument tonight, but I will say that Petro-Canada has not done one doggone thing for Canadians since it was invented. It has not found any oil or any gas. It has just cost taxpayers a bunch of money. However, this wealth cannot be captured without incentives to industry, and this is where Bill C-48 completely fails to come to grips with our future. Not only do we have a lack of incentives for industry but we also have confiscation and a regulatory environment which will discourage exploration. That is what Bill C-48 is all about. It is about confiscation, retroactive confiscation and regulation.

This government has a mentality which says, "Jeepers, we cannot allow anybody to make a dollar. If we allow somebody to make a dollar, that has to be wrong". The mentality is that it has to be wrong if we allow anyone to make a dollar, so we will not let anyone make a dollar. The government says we should not allow our resources to be developed by that rotten, dirty old private sector!

My most serious concern—and it has been expressed time and time again in the debate on Bill C-48, not only by myself but also by other members of our party—is the retroactive 25 per cent back-in provision outlined in Clause 27 of the bill. I will acknowledge that the government has moved from its original position of expropriation without compensation. I suppose we can give the government a small amount of credit for at least recognizing that it should not steal without giving a little bit back. The government moved to a scheme which is intended to provide for recovery of prior expenditures made by the initial oil finder. The government will reimburse a company, if it goes out and finds oil, a small portion of its costs. This is called *ex gratia* compensation, but it is totally unfair. It provides only for prior expenditures made in the discovery area related to successful and developed hydrocarbon accumulations, and ignores the inherent value of the reserves taken by the Crown.

● (2120)

It sounds like a nice argument. The government tells you to go out, find it and then it takes 25 per cent and pays what it cost. However, it will not pay for dry holes that have been drilled. If 12 dry holes are drilled at a cost of $50 million a hole, which is what it costs in Hibernia and the Beaufort Sea, the government will not pay for that. However, if there is a find, it will pay 25 per cent of the $50 million.

Do hon. members really believe that is fair? I have used the word expropriation. It is a strong word. Nobody likes expropriation. To a lot of people expropriation means stealing. Is it difficult to imagine what other term would apply in a situation where assets are literally seized unilaterally without any semblance or attempt at negotiated settlement?

The Saskatchewan government expropriated to potash companies. I will give the provincial NDP government some credit, and it is not often I have cause to say anything good about them. However, at least it sat down and negotiated a reasonable deal based on the fair market value.

The Quebec government wants to take over the asbestos corporation. It is sitting down and talking to the owners, negotiating in good faith what it believes to be a reasonable market value. Not this government, no sir. It expropriates with no semblance of compensation cost. It reminds me of Iran and Libya. Those are the kinds of governments those countries

have. They just walk in, take it, and if you do not like it, lump it.

The definition of adequate compensation in the case of a government expropriation is always a contentious issue, but Canadian governments in the past have always recognized a basic fundamental principle that fair and equitable compensation for expropriated assets is not related to historical cost but is based on the market value of those assets.

I find it paradoxical that Petro-Canada, the federal government's own oil company in its acquisition of Petrofina and other companies, accepted fair market value as the appropriate benchmark in its takeovers. It paid a premium over and above the market value for the companies it acquired. I cannot understand why the proprietary rights to petroleum reserves should be treated differently. Will somebody explain that? I do not understand it. Why is it that the federal government pays a premium over fair market value for certain assets and will expropriate other assets at a fraction of the cost? It does not make any sense to me.

Witnesses have stated in connection with the Hibernia field—and for those who do not know where it is, it is offshore Newfoundland—that the present value of the proposed compensation that the federal government proposes to pay when it expropriates the 25 per cent interest is in the range of five to ten cents per barrel of oil, after tax. In the case of Sable Island, which is a gas field, we hope, the value of the compensation works out on an after-tax basis to a mere one cent per 1,000 cubic feet of gas. These estimates of *ex gratia* payments have been calculated using the government's own formula.

The market value of the reserves taken by the Crown is difficult to determine because such estimates must be based on unknown factors 10 to 20 years hence. It is particularly difficult to establish market values of fields such as Hibernia and Sable Island where the prospective economic and regulatory environment is still unknown. This is also true in the Canadian Arctic. Let us forget about the economics of offshore Sable Island and the Arctic. Let us accept a recent study of an independent consultant in Canada who values Canadian conventional oil reserves at $2.50 per barrel for oil and 40 cents per 1,000 cubic feet for gas. The point I am trying to get across is that *ex gratia* payment offered in Bill C-48, ranging from five to ten cents per barrel and one cent per 1,000 cubic feet of gas, does not come anywhere close to the fair market value of the reserves being seized.

The Minister of Energy, Mines and Resources and other members of the government argue that the back-in provision is simply payment for taxation foregone as a result of earlier tax incentives. Where is the logic in an argument that uses a system of tax incentives which was introduced with the specific intent of encouraging high-risk and high-cost exploration to justify retroactive measures? It reminds me of the budget; what was an incentive yesterday is a loophole today. We provide incentives for people to find oil and gas, then change the rules in midstream and confiscate part of their assets at the same time. Is that an incentive? Furthermore, this reasoning ignores the fact that once commercial production is established, the government realizes its share of the proceeds automatically through royalty and tax payments.

In Bill C-48 we have a 10 per cent basic royalty right off the top and a 40 per cent incremental royalty. The government gets its pound of flesh. On top of that there is income tax. It is not as though the government were not getting anything. The Minister of Energy, Mines and Resources also said that the back-in provision is needed to capture so-called economic rent, but fiscal measures are already included in Bill C-48 which are used for this purpose, namely the 10 per cent basic royalty and the progressive incremental royalty. The economic rental argument is fundamentally different from the tax incentive argument which was originally used to defend the retroactive back-in. The fact is that the rationale used by the government is indefensible.

The proposed 25 per cent back-in provision is particularly difficult for a number of companies. This 25 per cent back-in provision is in addition to a 25 per cent interest already acquired by Petro-Canada under previous legislation. Under the 1977 amendments to the Canada oil and gas regulations, Petro-Canada obtained a 25 per cent interest in a number of prospects in the Canada lands. With the passage of Bill C-48, this right of Petro-Canada no longer exists and will be replaced by the 25 per cent retroactive Crown share.

Bill C-48 states that where Petro-Canada has acquired a 25 per cent interest after April 30, 1980, the back-in provision of Clause 27 will not apply. In other words, if Petro-Canada acquired the back-in after April 30, 1980, the Crown does not have the right to acquire a further 25 per cent interest. This measure was intended to avoid double dipping by the Crown during the transitional period. However, there are a number of cases—

The Acting Speaker (Mr. Ethier): Order. I regret to interrupt the hon. member, but his allotted time has expired. Nevertheless, he may continue if there is unanimous consent.

Some hon. Members: Agreed.

Some hon. Members: No.

• (2130)

Hon. Erik Nielsen (Yukon): Mr. Speaker, I regret that the members present did not give unanimous consent to the hon. member for Calgary South (Mr. Thomson) to continue, as he is one of the very few members of the House who has any knowledge of the oil and gas industry. It is an indication of how little the hon. members care about knowing the effects of the legislation that is now before us, how little they care about learning what the facts are and how little they care about what they are doing to the industry.

An hon. Member: Where were you in committee?

Mr. Nielsen: If the hon. member wants to interject, he has to do it loud enough for me to hear, otherwise I will not be able to respond to him.

An hon. Member: What about your age?

Mr. Nielsen: I still did not hear him, Mr. Speaker.

Mr. Baker: The hon. member did not miss anything.

Mr. Nielsen: The hon. member for Calgary South passed to me a couple of sections from the universal declaration of human rights which he did not use in his speech today but which are very pertinent to our study of this bill. It is a declaration of human rights, which has been signed by Canada and most freedom-loving countries of the world. The first stipulation sets forth that everyone has the right to own property alone as well as in association with others. The second stipulation is that no one shall arbitrarily be deprived of his property. Canada signed that universal declaration of human rights. Now in Bill C-48 we are doing precisely the opposite to the declaration that they signed.

The debate of the bill on second reading, Mr. Speaker, has been most informative, as it has highlighted what I believe to be the arrogance and the authoritarianism of the Liberal Party, the Liberal Party designed in the most unmistakeable terms. Every suggestion that has been advanced by the Progressive Conservative Party for the toning down of the harsh and rigorous provisions of Bill C-48 has been turned down by the Liberal majority in the House. At the same time, the left wing of the Liberal Party in the House, the NDP with scarcely a shred of independence left to it, did everything it could to make this socialist bill more socialist than it is. That is their record and that is their tarnished image and reputation. Of course, the NDP will only be satisfied with a measure embodying complete state control. That is true. That is a fact. Not one of them will stand up and deny that fact.

An hon. Member: Why deny it?

Mr. Nielsen: Did I hear a denial over there? No, I thought not. What they mean to do is to have a complete takeover of the oil and gas industry. From all indications, from my assessment, Mr. Speaker, this is what is waiting in the wings for us.

Meanwhile, the NDP has taken what comfort it could from this measure as an opening gambit in the government's takeover and confiscation policy.

The debate to this point has been an illustration of the divine right of Liberalism to manage—or to mismanage—the affairs of the nation, and to impose on Parliament and the country whatever new theoretical aberration springs from the minds of the policy-shapers in the bowels of the Langevin Building across on Wellington Street.

I am disturbed as a Yukoner and as a Canadian. I am disturbed—

An hon. Member: The hon. member does not have to keep repeating that.

Mr. Nielsen: I am disturbed by the monstrosity—they never get disturbed over there and they certainly would not get disturbed over a bill such as this that is so close to their bosoms. I know what they will do, Mr. Speaker. They will stand against the government on this bill.

An hon. Member: That is right.

Mr. Nielsen: It is not because they do not like the bill for what it is. They will stand with the Conservative Party against the Liberals, but not for the same reason.

An hon. Member: That is for sure.

Mr. Nielsen: They will stand with us because the bill does not go far enough. They want the whole ball of wax. They want to nationalize the whole issue.

An hon. Member: Keep it up.

Mr. Nielsen: That is pure socialism. That is what they stand for. These hon. Grits—

Mr. Skelly: I rise on a point of order, Mr. Speaker. I wonder if the Chair might, on our behalf, intervene and find out from the hon. member whether or not environmental protection or aboriginal rights is against the policy of the Conservative Party, as well as giving Canadians a window on the industry? It is a very important point.

The Acting Speaker (Mr. Ethier): Order, please.

Mr. Skelly: Or is that too disturbing?

The Acting Speaker (Mr. Ethier): Order, please.

Mr. Nielsen: I never cease to wonder at the ignorance of hon. members who pose questions such as that, whose familiarity with the lands that this legislation affect is almost nil. I could ask the hon. member who just posed the question whether he has ever been to the Northwest Territories.

Mr. Skelly: Is that true of the hon. member for Nunatsiaq (Mr. Ittinuar)?

The Acting Speaker (Mr. Ethier): Order, please.

Mr. Skelly: Yes, the hon. member did ask a question. I represent a riding that is intimately affected by this particular bill, environmental protection and aboriginal rights.

The Acting Speaker (Mr. Ethier): Order, please.

Mr. Nielsen: The hon. member, Mr. Speaker, would not know Old Crow from Nunatsiaq. The hon. member probably would not even know the direction in which to travel in order to get there. That is his mentality. He is not alone; he is in good company. Generally speaking, that is the southern mentality.

An hon. Member: We know who is the old crow.

Mr. Nielsen: I did not hear that interjection.

An hon. Member: We know who is the old crow.

Mr. Nielsen: Would the hon. member like me to tell him where Old Crow is?

An hon. Member: I said that we know who is the old crow.

Mr. Nielsen: Hon. members laugh, but actually it is the name of an individual who was highly respected by the people of the village of Old Crow. It is from the name of that old gentleman, who has long since deceased, that Old Crow got its name. The hon. member should not make fun of the ancestor of the Indian people of the village of Old Crow from whom its name comes.

These lands, this appellation that the government puts on Canada lands—and I must say to my colleagues, "do not get sucked in by that phrase Canada lands"—the lands of Manitoba, Saskatchewan and Alberta, were not known as Canada lands before the provinces were carved from the Northwest Territories of that day. The subliminal attempt of the government to condition the minds of Canadians to think of these lands above the 60th parallel as Canada lands, hence belonging to all Canadians—to use the expression of the hon. member who interrupted me a moment ago—is just another window on the minds of the nation. It is an attempt to manipulate the public mentality to the point of believing that these, in truth, are Canada lands held in trust for all Canadians and that Yukoners, those in Nunatsiaq and those in the western Arctic, will never enjoy the fulfilment of their manifest destiny, as half the citizens of Manitoba, Saskatchewan and Alberta are enjoying those lands and those resources in the fullest of time as provinces in this confederation of ours. That is the purpose of using that phrase "Canada lands". As I stated, it is a subliminal attempt to condition and then to manipulate, but again it is a product of the Langevin Building and the Michael Kirbys of the world. I am greatly disturbed as a Canadian by this attempt to expropriate arbitrarily these lands, the nature of the exercise, and the failure of the government to consult either the industry or the governments of Yukon and Northwest Territories. It was a blatant disregard of the rights of the people of the area, including native Canadians. There was not one word of consultation with the elected legislatures of the two territories before the legislation was introduced—laught that one off! There was not one word of consultation with native organizations in either of the northern territories—laugh that one off!

● (2140)

Mr. Keeper: Who voted against consent?

Mr. Nielsen: I hear the hon. member, but I am sorry I do not know the name of his riding.

Mr. Keeper: It was the Tories.

Mr. Nielsen: I take it the hon. member means the motion requiring the consent of aboriginal peoples with respect to any changes to the Constitution concerning aboriginal rights.

Mr. Keeper: Right on!

Mr. Nielsen: He should look at the amendment, he should look at what they did. Those hon. members introduced an amendment which required provincial legislatures to rule on any matter of change in the Constitution affecting aboriginal rights. When it came to Yukon and the Northwest Territories, they did not choose the elected legislatures to be the deciders; it was the federal government. So much for their respect for the rights of northern Canadians; they bypassed them completely. That is why I voted against the amendment. Native Canadians feel betrayed by this bill to the same extent and with the same depth of feeling as they feel betrayed by the constitutional agreement and by the amendment. The majority of the elected representatives of the Northwest Territorial Legislative Assembly are native. They bypassed them with their amendment. What on earth do they exist for in Yukon and Northwest Territories if they are to be bypassed? Are they to be a mere rubber stamp to be ignored consistently?

Mr. Deans: Why did you not offer a subamendment?

Mr. Nielsen: I just finished explaining it.

Mr. Deans: We would have been happy to accept one.

Mr. Nielsen: The hon. member for Hamilton Mountain (Mr. Deans) knows.

Mr. Deans: Instead of always being on the attack, why not be positive?

Mr. Nielsen: If the hon. member would just zip his lip and await my reply, in a moment—

Mr. Deans: I think I will ask a question.

Mr. Nielsen: Would the hon. member like to speak? I will follow him.

Mr. Deans: Yes, I would.

The Acting Speaker (Mr. Ethier): Order, please. If the hon. member for Yukon (Mr. Nielsen) yields the floor now, he will not be recognized after.

Some hon. Members: Hear, hear!

Mr. Deans: Why did you tell him, Mr. Speaker?

The Acting Speaker (Mr. Ethier): Order, please. That would be an interesting discussion after ten o'clock. Now we will hear the hon. member for Yukon.

Mr. Nielsen: In the interests of truth and of full information, I am sure the House would want to hear the hon. member for Hamilton Mountain and give unanimous consent to my continuing afterwards. If the Chair would put the question in that way—

Mr. Evans: We will let him ask a question.

Mr. Nielsen: If the hon. member wants to ask a question, let him.

The Acting Speaker (Mr. Ethier): As was suggested by the hon. member for Yukon, the Chair must seek unanimous consent. If there is unanimous consent, anything can be done. Is there unanimous consent?

Some hon. Members: Agreed.

Mr. Cousineau: Let him ask a question.

Mr. Deans: Mr. Speaker, I rise simply because the hon. member for Yukon (Mr. Nielsen) encouraged me to ask him a question on the record. If the hon. member did not like the amendment which we placed before the House asking for the consent of native peoples north of the sixtieth parallel respecting any matter pertaining directly to their affairs within the Constitution of Canada, as it will ultimately turn out to be once it is sent back here by the British Parliament, rather than simply rising and voting against it, why did the hon. member not do as we did when we found the amendment of the official opposition regarding Quebec deficient? Why did he not offer either an amendment or enter into a discussion with us to make an amendment to our proposal, which would have brought it into conformity with what he thinks is in the best interests of the people he represents? Thereby he would have allowed the House of Commons to deal with the issue in a way which would have been both honest and responsive to what he feels. I do not deny that he feels strongly that there would be a more appropriate way to deal with the problems of native and aboriginal peoples in the areas of Yukon and Nunatsiaq.

I am somewhat puzzled that the hon. member would decide to make a speech tonight about an amendment which was placed before the House of Commons two days ago and voted on yesterday afternoon. He said nothing about it at the time it was before the House, but tonight he rose and made objection to the content of the amendment when he knew full well that, in the normal spirit of co-operation, we would have been delighted to have taken into consideration any legitimate concern he might have felt. I am quite positive my good friends and colleagues, the hon. members of the New Democratic Party who represent native communities in every part of Canada, would have looked very, very seriously at any sensible proposal. I can only assume—and I put this to the hon. member quite honestly and sincerely—the reason why he did not do that was that he did not think of it at the time, and the reason he is doing it now is that he is attempting to make political mileage, which I am quite sure he will not succeed in doing.

Some hon. Members: Hear, hear!

Mr. Nielsen: Mr. Speaker, when that question is measured by the inch, it has to be a record by any standard in the House of Commons.

Mr. Deans: It is also not bad. Answer it.

Mr. Nielsen: How does one answer a question by the inch?

Mr. Deans: Try answering it by the yard.

Mr. Nielsen: The hon. member will not even let me respond. Why was he so paranoid? Why was he and his party so paranoid and so obsessed with the idea that above the 60th parallel only native people live? Are there no other northern Canadians there? Their amendment was in the form it was because of their mentality. I might point out, with respect, that the hon. member for Nunatsiaq was not in his seat. It makes me wonder whether he was consulted.

Mr. Deans: Oh yes, he was.

Mr. Nielsen: If he had been, he would have told the hon. member for Hamilton Mountain, or whoever was responsible for drafting the amendment, that indeed there are non-native Canadians living above the 60th parallel. They should have thought of that when they drafted the amendment. They should have been alive to the fact that they are legislative assemblies populated by elected representatives in both territories. What they did for the provinces in the amendment, they could have done just as easily for the two Territories. They could have passed those legislative assemblies the same power they sought to pass to provincial legislatures. To be fair to them, the reason is that they did not think of it. If I have complained once in the House, I have complained a hundred times that, through no fault of their own—perhaps it is only the fault of our historic development—the southern Canadian mentality does not reach above the 60th parallel; they do not know what is there.

Mr. Deans: Would the hon. member accept one more short question?

Mr. Nielsen: Sure, I do not mind.

• (2150)

The Acting Speaker (Mr. Ethier): Order, please. The Chair would need some guidance on whether this is a discussion between two members or whether we ought to be discussing the bill that is before the House.

Mr. Deans: Given that the hon. member claims for himself that marvellous insight into the affairs of northern Canada—and I do not deny that he has insight—why did he not choose to move an amendment that would have given to those elected persons in northern Canada, the powers that he now claims they ought to have had?

Mr. Nielsen: Insight into northern affairs, Mr. Speaker—

An hon. Member: Answer the question. You are practising to be a cabinet minister.

Mr. Nielsen: For however short a time it is, I have been there. The hon. member has not and probably never will. I lived there. I have no more insight about Hamilton Mountain than has the hon. member for Nunatsiaq.

Mr. Deans: Why did you not move an amendment?

Mr. Nielsen: If the hon. member had read the House order, he would know that the amendment was deemed to have been put at ten o'clock. There was no opportunity to amend it because of that House order, and he knows that.

By way of a counterquestion, I can put it to the hon. member that if he had been really sincere, he would have come to me and would have said, "Do you believe that this is good

for northern Canadians? Have you any suggestions to make about how it could be made palatable and acceptable both to northern Canadians and to the government? Have you any suggestions about how we can design this so that it will be acceptable?"

He did not do that, Mr. Speaker. I have very grave doubts—although I seem to recall that he indicated that he did—that he even consulted the hon. member for Nunatsiaq about the wording of that amendment. It only went half the distance, and I think they know now that there was a very grave omission in that amendment. I do not think that the New Democratic Party, or the present composition of that party, will forget in future that there are elected legislatures in the north. In future, when they address subjects of that nature, they will make sure to treat those legislatures in the same way they would treat provincial legislatures. They have learned a lesson.

I say that the native people of northern Canada feel betrayed at a time when native claims are being negotiated. This bill can only bring about needless complications. Passage of this bill at the present time will only add to the complexities of native claims and will only make settlement of them more difficult. That was made very clear by the native organizations that appeared and testified before the committee.

I have said before that Yukoners regard this bill as a gigantic land grab of Yukon and Northwest Territories by the government. The Progressive Conservative has always hoped that these territories would one day become provinces. What will happen when that day comes? What will happen if the people of Yukon and Western Arctic decide by a referendum that they wish to join confederation as provinces and petition the federal government to that effect? What happens when those resources have been exploited by the government, not for the benefit of the Yukoners who stand to gain absolutely nothing and not for the financial benefit of all Canadians or even northern Canadians, but for the financial benefit of the Liberal government?

We are witnessing the curious spectacle of a government which has shown no ability to run those operations already under its control, setting out to engage in operations which require a high degree of skill and know-how which, as has been pointed out by the hon. member for Calgary South, this government certainly does not possess and which the Minister of Energy, Mines and Resources and his parliamentary secretary have not displayed, even to my limited knowledge of the industry. The mess the government made of the budget can only lead one to this conclusion.

This is a government which cannot even run the Post Office, a relatively simple operation, yet it claims to be able to run the highly technical oil and gas industry in a highly competitive world. It could not run the Post Office and so had to get rid of it. It is a government which not only cannot make the trains run on time but cannot even make them run at all, yet it sets out to bring in new oil and gas supplies.

It is a government which took a healthy economy and allowed it to run down, to be destroyed, while the ministers responsible and the Prime Minister (Mr. Trudeau) were flitting about from pillar to post at public expense. Now it expects to produce a healthy oil and gas industry. This is beyond credulity, Mr. Speaker. Meanwhile, those areas where the government has a responsibility and could show leadership, such as conservation and alternate energy sources, are being neglected. Member after member has risen in this House to protest the arrogant and dictatorial nature of this legislation. There has been no reaction from the government, except one of profound boredom, unless an hon. member happens to make an amusing point. The minister is not here, the parliamentary secretary does not listen and the others just sit there, dumb.

Some hon. Members: Oh, oh!

Mr. Nielsen: That expression is parliamentary and it happens to be true.

The bill in itself is bad enough and dictatorial powers are bad enough in a country that still calls itself a free country, but statism and nationalization masquerading under the glib term of Canadianization—another one of those subliminal tags—are a betrayal of every single principle of a free economy.

All these things, bad enough in themselves, are immeasurably worse when one thinks of these powers in the hands of the particular group operating the federal government at the present time. I shudder to think how much worse it could become if, by even the most nightmarish stretch of the imagination, that power were to pass into the hands of the little red rump. This government has made no secret of its determination to manipulate the controls of the Canadian economy. It is a group which engaged in a secret uranium cartel, the details of which cannot be known because the Prime Minister swore all the participants to secrecy and appointed one of them, Senator Austin, to the cabinet where his lips are sealed as long as he wants to remain there. This same Senator Austin, who is apparently concerned with the rights of native Canadians under the Constitution—that is his new responsibility—has said that he is in agony over the removal of native rights from that agreement. What hypocrisy, Mr. Speaker! This will undoubtedly bring great consolation to those native Canadians who have been left out and who have been betrayed.

I wish I had another 20 minutes, Mr. Speaker.

PROCEEDINGS ON ADJOURNMENT MOTION

[*Translation*]

A motion to adjourn the House is deemed to have been adopted, pursuant to Standing Order 40.

Adjournment Debate

● (2200)

[*English*]

CORPORATE AFFAIRS—EXPORT FINANCE CORPORATION OF CANADA

Mr. Jesse P. Flis (Parkdale-High Park): Mr. Speaker, I wish to take the opportunity provided me under Standing Order 43 of the House of Commons to pursue a topic I raised in question period on November 23, 1981. The topic was Export Finance Corporation of Canada Limited. One of the tasks of the special parliamentary committee on national trading corporations was to look into how Canada can increase its export trade and thereby help small and medium-sized businesses. The special parliamentary committee had difficulty obtaining information on the Export Finance Corporation of Canada Limited.

Before setting up any new corporations or systems, it is always wise to see what existing systems are doing and whether or not they are successful. Because I did not receive a satisfactory answer from witnesses appearing before the committee, I tabled a question on the Order Paper dated June 19, 1981. Question 2,559 specifically asked:

What was the date of incorporation of the Export Finance Corporation of Canada Limited and what was its purpose?

Did the corporation meet its obligations and goals and what is its present status?

The answer given to me by the Department of Consumer and Corporate Affairs of Canada was that such a corporation was federally incorporated on June 4, 1959, under a special act of Parliament assented to on that day. The department stated:

The object of the corporation was to finance and facilitate exports and imports and the exchange of goods and services between Canada and any nation of the Commonwealth of Nations or other nations, and between agencies or residents of Canada and such nations, or agencies or residents thereof.

The department's answer went on to say that in so far as the act was concerned, the company had met its legal obligations by having filed its financial statement and annual summary for the year ending March 31, 1981, with the director of corporations. The Department of Consumer and Corporate Affairs, however, was unable to comment on the performance of the company with regard to its goals and objectives.

Not receiving an answer to my tabled question, I raised the question during question period in the House on November 23, 1981. I would like to quote my question from *Hansard* at page 13079:

Would the minister inform this house on the success or failure of this corporation in meeting its objectives in financing and facilitating exports and imports?

The Minister of Consumer and Corporate Affairs replied:

Madam Speaker, of course it is not a simple matter to determine a corporation's ability or inability to achieve its objectives.

—there is no legal or even political obligation that would allow us to make sure whether or not it is meeting its objectives successfully.

As a parliamentarian in this House of Commons, I feel I have the right to ask for such information and to be provided with the accurate data. I pursued my question further. On December 1, 1981, I received further information from the deputy minister addressed to the Minister of Industry, Trade and Commerce (Mr. Gray). The deputy minister confirmed that such a corporation was incorporated on June 4, 1959. His reply states that the corporation was given ample financing powers to achieve its objectives. At the time of the incorporation, the capital stocks consisted of ten million shares with a par value of $5 each. The deputy minister went on to say that the corporation is currently dormant. The current capital base stands at $20,000 and is owned by seven major Canadian chartered banks. The board of directors, which meets once a year, consists of 14 officers from these banks and is currently chaired by Mr. J. J. Dowsley from the Toronto-Dominion Bank. If the corporation is dormant, why did I receive, on form 3, an annual summary under Section 133 of the Canada Corporations Act, dated March 31, 1981, from the active board of directors, 14 of them to be exact? The answer from the deputy minister goes on to state:

In April, 1968, the Board of Directors of the corporation decided after consultation with the Minister of Finance and the Export Credits Insurance Corporation, to stop accepting new business due to the imminent incorporation of EDC in 1969, and to the pattern and direction of short-term interest rates in the New York market that made fixed rate medium and long-term export financing rather difficult for the corporation.

● (2205)

If the board of directors in 1968, in consultation with the Minister of Finance, and the Export Credits Insurance Corporation decided to stop accepting new business due to the incorporation of EDC in 1969, then how can the Department of Consumer and Corporate Affairs of Canada state that the company has met its legal obligations by having filed with the director of corporations its financial statement and annual summary for the year ending March 31, 1981?

I would like to ask the Parliamentary Secretary to the Minister of Consumer and Corporate Affairs (Mr. McCauley) whether the seven major Canadian chartered banks are using the Export Finance Corporation of Canada, Ltd. as a gimmick to avoid payment of taxes to the government?

There are just too many unanswered questions surrounding the Export Finance Corporation of Canada, Ltd. Therefore, I appeal to the Minister of Consumer and Corporate Affairs (Mr. Ouellet) of Canada to tell the House what is the status of this corporation since it stopped accepting new business since 1969, and why is it still in existence? Have the banks benefited from any tax write-offs by keeping it in existence even though it is doing no business at present? Since Canada is losing its fair share of exports on the world market, will this corporation be reactivated to finance and facilitate exports?

Mr. Gary F. McCauley (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): Mr. Speaker, I am pleased to respond to the question posed by my colleague, the hon. member for Parkdale-High Park (Mr. Flis). He knows quite a bit about the subject and there is no point in my reviewing what he already knows.

As he has stated, the Export Finance Corporation of Canada, Ltd. was incorporated by special act of Parliament in 1959. It was founded by the major Canadian banks. Through a

series of mergers, the present shareholders are the Bank of Montreal, the National Bank of Canada, the Bank of Nova Scotia, the Toronto-Dominion Bank, the Canadian Imperial Bank of Commerce, the Mercantile Bank of Canada and the Royal Bank of Canada.

The underlying intention of the special act was to involve the chartered banks in medium-term export financing. In 1968 the operations of the Export Finance Corporation of Canada, Ltd. became inactive owing to prevailing circumstances at that time.

Section 6 of the act includes the following wording:

> The corporation, in the furtherance of its objects and not excluding the other powers necessary to their achievement, may
>
> (A) Purchase, discount, rediscount, sell, negotiate with or without its endorsement or guarantee notes, drafts, cheques;
>
> (B) Purchase and sell securities, coin, bullion and exchange and guarantee securities;
>
> (C) Make or underwrite a loan or a series of loans;
>
> (D) Participate with buyer and seller in an export-import transaction;
>
> (E) Deal with financing applications for resale to a lender within or outside Canada on a commission or fee basis;
>
> (F) Purchase with its funds preferred or common stock in any other corporation.

The corporation was active until 1969 when circumstances were such that the corporation ceased active operations, but has maintained its corporate existence by making yearly filings of its annual summaries and financial statements with the Department of Consumer and Corporate Affairs.

Each year since that date the directors have discussed the advisability of reactivating the corporation. They intend to keep it in existence until such time as it can be usefully reactivated. While the corporation was active, it operated successfully. As an example, the 1963 annual report of the chairman of the Export Credits Insurance Corporation, now replaced by the Export Development Corporation, indicated that during that year, the Export Credits Insurance Corporation sold to Export Finance Corporation of Canada, Ltd. $27 million of notes it held which were guaranteed by the Export Insurance Corporation. In 1964 similar sales of notes were made to Export Finance Corporation of Canada, Ltd. in the amount of $23 million.

In April 1969 the president of Export Finance Corporation of Canada, Ltd. spoke with officials of the Export Credits Insurance Corporation concerning the pending creation of the Export Development Corporation. It would appear that interest rates and the replacement of the Export Credits Insurance Corporation by the Export Development Corporation were among the factors causing Export Finance Corporation of Canada, Ltd. to become inactive. The corporation remains in good standing as a special act corporation.

● (2210)

THE BUDGET—EFFECT ON INSURANCE POLICIES AND RETIREMENT SAVINGS PLANS

Mr. Dan McKenzie (Winnipeg-Assiniboine): Mr. Speaker, I wish to speak tonight on the effect of the budget on insurance policy holders, insurance companies and RRSP holders. I placed a question to the Parliamentary Secretary to the Minister of Finance (Mr. Evans) on December 2 regarding the effect of the budget's new tax measures on the ability of average Canadians to save through insurance and RRSP policies. The parliamentary secretary answered only the part of my question dealing with RRSPs. But what about insurance policies?

I was pleased to see that, on November 19, a Liberal backbencher, posed the same question to the Minister of Finance (Mr. MacEachen) and the minister stated:

> I would be happy to consider any refinements that can be possible in these measures.

So I hope we will be hearing about some of these refinements tonight because there is considerable concern across the country at this devastating new tax.

Changes are needed now because average Canadians simply cannot afford these new taxes. They will cause higher unemployment, greater reliance on government operated pension plans, more welfare recipients, less self-initiative in general, because people can no longer attempt to fend for themselves, and here, Mr. Speaker, I offer a few examples of what individuals and insurance companies are saying about the new tax proposals:

> As women now outlive men by an average of six or seven years, and inflation has led to a diminution of their available resources, industry has pointed out that 80 per cent of individual life insurance policies in 1980 were bought by people with incomes of under $25,000. If working guidelines around the arbitrary application of the accrual tax concept on both insurance and annuity contracts cannot be worked out a large supply of long-term capital for national development will disappear. Personal initiative to province income maintenance on death and retirement will be discouraged, leading to increased pressure on government and will aggravate Canada's ability to compete in world trade. The insurance industry will not be able to sustain its field or home office staffs. This will increase unemployment and, more importantly, harm millions of Canadians who cannot afford accountants and lawyers, but rely on our agents for counsel.

That is agents of insurance companies, Mr. Speaker. Here is a statement by a life insurance salesman who lives in Winnipeg. He states:

> I am bound to protest against the recent budget proposals which single out for attack whole life insurance, which is the best means of protecting dependants against the premature death of the main supporter of the family.
>
> As you know, many people, including government, have been expressing great concern about the elderly poor, especially widows. To the extent that new tax measures discourage the purchase of permanent life insurance there will be no more elderly poor and more widows who will be dependent on the taxpayer for support. I know of no other advanced country which attempts to tax the income on life insurance savings, an income which no one can touch during the lifetime of the policyholder, and if it is touched under the present system, the gain will be taxed. In other advanced countries the provision of protection to dependants through life insurance is positively encouraged, not discouraged.
>
> As you know, permanent life insurance provides a means for gathering millions of small amounts of savings into large investment pools which have done much in the past to develop Canada. The inhibiting of these savings will slow down the development process.
>
> If the government is really serious about being positive in its attempt to develop this country, it should be seeking to encourage savings through life insurance rather than by taking negative action to scare people away from protecting their families.

Also, Mr. Speaker, I have received this from a constituent who is very concerned about these new tax measures, and she points out:

> I can appreciate their attempt to close tax loopholes for the rich, but not threaten the financial security of millions of ordinary Canadians while all they are trying to do is save for retirement or an untimely death which could bring a great hardship on a young family.

Another constituent, an employee of an insurance firm, states:

> There are three portions of the proposals which concern me particularly:
>
> 1. The budget would require a policyholder to report accrued investment income on his or her policy or annuity every three years even though no income is actually received.

● (2215)

> 2. A portion of many life insurance policies will be taxed on death—a proposal similar to one made in 1977 which on closer examination received the disrepute it deserved.
>
> 3. In addition, the budget proposes that the amounts paid by employers for health and dental benefits be included in the taxable income of employees.

If deferred profit-sharing plans are virtually eliminated, this will affect many small-business owners and their families who are trying to build adequate retirement plans. Non-related DPSP employees will have their contributions reduced up to $2,000.

Interest on borrowed money for deferred income plans such as RRSPs and DPSPs will no longer be deductible.

It is vital that a concerted effort be made to persuade the government to desist from its apparent plan to discourage individual estate and financial planning. Many Canadians are proud enough to want to be totally independent and not have to rely on government welfare and pension plans, which are inadequate, unreliable and costly.

I hope we hear some words of encouragement from the parliamentary secretary tonight that the government is considering dropping these taxes on insurance policies.

Mr. John Evans (Parliamentary Secretary to Deputy Prime Minister and Minister of Finance): Mr. Speaker, I am glad to respond tonight to the hon. member for Winnipeg-Assiniboine (Mr. McKenzie) because there are some misconceptions. Some information has not been widely disseminated with regard to these two topics, RRSPs and whole life insurance, and I think it should be.

First of all, the budget makes no change in the amounts deductible as RRSP contributions. The only difference is that now there is no special incentive for borrowing money to make RRSP contributions, since the interest on money borrowed to put into an RRSP will no longer be deductible from non-investment income. Individuals using their own funds, however, and investing these in RRSPs are not affected. Canadians can still obtain great benefits from contributing to RRSPs because of the deduction for the contribution itself. A person, for example, contributing $3,500 to an RRSP who is in a 25 per cent tax bracket will save $875 in taxes in the year that that contribution is made, which is a major saving.

The tax on accrual of investment income earned with life insurance policies will not affect the retirement savings of most Canadians. The investment income on life insurance policies purchased through RRSPs will continue to be sheltered from tax. For other policies many low and middle-income people will find that the investment income will not be taxed because of the $1,000 investment income deduction which is currently in the tax system. This deduction ensures that for taxpayers with no other investment income any amount of investment income from life insurance policies up to $1,000 will be exempt from tax in a year.

It is important to note that before the budget, many lower and middle-income individuals had to pay tax when they surrendered life insurance policies before death because all of the investment income was taxed at one time when it was taken out of the whole life policy. Now that income can be reported as it accrues, and it may escape tax completely because it is covered by the $1,000 per year investment income deduction.

The Acting Speaker (Mr. Ethier): The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 11 a.m.

At 10.19 p.m. the House adjourned, without question put, pursuant to Standing Order 2(1).

HOUSE OF COMMONS

Friday, December 4, 1981

The House at 11 a.m.

• (1105)

ROUTINE PROCEEDINGS

[*English*]

THE PRIME MINISTER

MOTION UNDER S.O. 43

Mr. John Bosley (Don Valley West): Madam Speaker, whereas as the font of all Canadian wisdom, our own Delphic oracle, the Prime Minister (Mr. Trudeau), has made it clear that Canada's high interest rates are not the fault of the big spending policies of the government but are somehow our fault, and in fact are primarily the fault of one poor but omnipotent reporter in the press gallery, I move, seconded by the hon. member for Simcoe North (Mr. Lewis):

That this House express its deep and reverent gratitude to the Prime Minister for his latest pronouncement, which indicates clearly that, for the man who says he cares so deeply about gaps, the gap between himself and the truth has not narrowed.

Madam Speaker: Is there unanimous, consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

RESEARCH AND DEVELOPMENT

CALL FOR APPOINTMENT OF MINISTER—MOTION UNDER S.O. 43

Mr. Lorne Greenaway (Cariboo-Chilcotin): Madam Speaker, 80,000 fewer young Canadians are employed now than at this time last year. This deplorable situation has arisen because of many years of gross neglect of our real problems by a Liberal government preoccupied with everything and anything but economic and industrial planning. Band-aid solutions and temporary make-work programs are not the answer. Long-range planning priorizing research and development is. Therefore I move, seconded by the hon. member for Esquimalt-Saanich (Mr. Munro):

That this government come to its senses and immediately appoint a minister whose sole responsibility is research and development and that the entire field of research and development in Canada be given top priority.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

THE BUDGET

MEASURES AFFECTING LAID-OFF WORKERS—MOTION UNDER S.O. 43

Mr. Jim Manly (Cowichan-Malahat-The Islands): Madam Speaker, in light of the fact that thousands of workers across Canada have lost jobs because of this government's stupid mismanagement of the economy, and in light of the fact that prior to the November 12 budget workers who lost jobs through permanent plant closures could convert retiring allowances into RRSPs without being subject to tax, a possibility the budget has now foreclosed, I move, seconded by the hon. member for Spadina (Mr. Heap):

That the Minister of Finance rescind any new tax burdens on workers who have been victimized by permanent lay-offs.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

CANADA MORTGAGE AND HOUSING CORPORATION

SUPPORT FOR SALES CAMPAIGN—MOTION UNDER S.O. 43

Mr. Douglas Fisher (Mississauga North): Madam Speaker, I rise under the terms of Standing Order 43 on a matter of urgent and pressing necessity. Whereas CMHC quite rightly is conducting a sales campaign on the properties it owns in order to recoup its heavy costs from these properties, and whereas this campaign, again quite rightly, includes special marked-down mortgage rates as an incentive for investors buying large groups of properties, I move, seconded by the hon. member for York South-Weston (Mrs. Appolloni):

That this House urges Canada Mortgage and Housing Corporation

(a) to continue its sales campaign to restore its financial health;

(b) to consider expanding its sales incentives so that individual buyers can get the same marked-down mortgage rates; and

(c) to consider including current residents whose mortgages are backed up by CMHC so that they too can have marked-down rates and other incentives on

their renewals to help them keep their homes instead of dumping them back on to CMHC.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Madam Speaker: Is it the pleasure of the House to adopt the said motion?

Hon. James A. McGrath (St. John's East): Madam Speaker, it is appropriate that the House should be dealing with this motion today because it coincides with the release by Canada Mortgage and Housing Corporation of the latest statistics showing another sharp decline in housing starts. Today we are facing the worst housing crisis in the history of the country. It is perhaps without parallel since the Second World War. Today Canada Mortgage and Housing Corporation reported another 30 per cent decline over one year in the number of housing starts.

We are told by none other than the minister responsible for housing himself, in a document which was leaked—the minister later tried to disown it but it has his signature on it; it was submitted to his cabinet colleagues—that we need 220,000 housing starts a year. We are told by the same authority that the best we can hope for is 135,000 housing starts. That is a shortfall of 80,000 housing starts. Included in that is the critical situation facing the country in rental accommodation.

• (1110)

We are told by Canada Mortgage and Housing Corporation and by Statistics Canada that the major metropolitan areas of the country are now facing a zero vacancy rate. We have already arrived at that unhappy state in the city of Oshawa. We are close to it in the city of Toronto. We are almost there in the city of Calgary. If anyone reads this morning's *Citizen*, he will see we have practically arrived there in the city of Ottawa.

What does that mean? Let me again quote the authority of the Minister of Housing as contained in that famous leaked document. The minister predicted that this situation, this dire shortfall in rental accommodation in the country, would create a black-market situation. He even went so far as to talk about key money.

Anybody who remembers World War II will know what key money is. Key money is that black-market device whereby, if you are desperate for an apartment, you go to the doorman, give him $100, and in exchange for that $100 pay-off he will advise you that there is an apartment available. He will then take you to show you the apartment. For another tip, he will arrange to give you a lease on that apartment, in exchange for which you have to pay him every month you are there.

That is the black-market situation we are facing in this country which has been created by the deliberate negligence of this government.

Some hon. Members: Hear, hear!

Mr. McGrath: The minister predicted to his cabinet colleagues that not only are we going to have a black-market situation, but a situation where young people will have to stay with their parents, where people will have to double up, share apartments and share kitchens. The only parallel you can find to that situation today is in the Soviet Union. We have a Moscow kind of housing situation in Canada today.

What do we get from the minister of housing? He tells the young people of this country to lower their expectations, to sit on orange crates, to go back to the standards we had 20 years ago. What a shameful performance from this minister! What a shameful performance from this government! This government stands indicted by its own negligence. I can refer to none other than the motion put forward by one of their own supporters. If the Minister of Housing had any principles he would stand in his place today, say he has failed, and that he will resign.

Some hon. Members: Hear, hear!

Some hon. Members: Resign.

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, it is apparent that the hon. member has referred to a document prepared in preparation for the budget. I am very pleased that he has joined with me in my concern expressed to the cabinet which was responsible for the Minister of Finance (Mr. MacEachen) introducing into the budget $350 million to address the very problems that the hon. member raised. I am very pleased that he identified the question of rentals because it is that kind of program that this budget addresses.

Mr. Edward Broadbent (Oshawa): Madam Speaker, I rise to support this motion that has just been put before the House, 100 per cent. I say to the minister who has just spoken that with the profit figures of the banks which are out today, if the government will put an excess profit tax on the banks, just to leave profits at the same high level they were last year, it will have $700 million additional revenue that could be put into housing which the people of Canada need. That would be concrete action.

Madam Speaker: Order. It being 11.15 a.m., I must interrupt the debate for oral questions.

• (1115)

ORAL QUESTION PERIOD

[*English*]

LABOUR CONDITIONS

REQUEST THAT MINISTER REVISE BUDGET PROVISIONS AFFECTING INVESTMENT AND JOB CREATION

Hon. David Crombie (Rosedale): Madam Speaker, my question is for the Minister of Finance. I am sure the minister is aware that this morning Statistics Canada issued a report which indicates how badly the situation with respect to

employment is going in this country as the days go by. The minister will know that the report this morning indicated that there are 40,000 jobs lost in one month alone, which brings it to a total of 128,000 jobs lost in this country since August, and that there are 37,000 more people this month looking for work. Will the minister bring into the House revisions to his budget which will allow for the expansion of investment and the creation of jobs? If he will, when, and if not, why not?

Some hon. Members: Hear, hear!

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I am sure the hon. member obviously observed that the seasonally adjusted unemployment rate dropped in Canada according to the statistics this morning.

An hon. Member: The minister brags about it.

Mr. MacEachen: I believe that the important thing is that instead of having an increasing seasonally adjusted unemployment rate, we have a decreasing unemployment rate for this month.

An hon. Member: By how much?

Mr. MacEachen: And that compares, it seems to me, at least favourably with the United States, where there has been a sudden increase in the seasonally adjusted unemployment rate in this month.

As the hon. member has recounted his statistics, Madam Speaker, he might have put them in a perspective so as to note that there is a decline in the seasonally adjusted rate this month, in contrast with the United States where there is an increase. The hon. member has asked about the government's intention with respect to the budget and its economic plans. I would tell the hon. member that the strategy in the budget is intended to reduce inflation and inflationary expectations. In my view, that is the best possible way to provide for resumed economic growth and job creation in Canada.

An hon. Member: Tell that to one million Canadians.

* * *

THE BUDGET

REPRESENTATIONS MADE BY CANADIAN FEDERATION OF INDEPENDENT BUSINESS

Hon. David Crombie (Rosedale): Madam Speaker, it is tough to be seasonally adjusted if you are unemployed.

Some hon. Members: Hear, hear!

Mr. Crombie: That is the fact of the matter. Madam Speaker, the minister has also received representations from the Canadian Federation of Independent Business. They have asked the minister to reopen the budget and look for revision in ten specific areas, chief of which is with respect to interest deductibility so as to allow for the expansion of investment and the creation of more jobs by small and medium-sized businesses. I should like to ask the minister two questions in connection with their brief to him. Will he give consideration to all of their points but, in particular, will he give consideration to a revision in the limitation of interest deductibility?

Some hon. Members: Hear, hear!

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I have heard the views expressed by the Canadian Federation of Independent Business. I will have an opportunity to deal in detail with the representations that have been made, many of which are based upon misinformation. I believe that once the full information gets out to the small-business men in Canada, they may take a different view of the accuracy of the representations that are coming from the leadership of that association.

I have already stated that I was prepared to listen to representations coming forward with respect to the impact of the budget, Madam Speaker. I indicated that in the House, and it applies as well to the measure relating to interest deductibility. I am quite prepared to examine the impact of that measure and to lay out further facts which would indicate that the notion that, in some way, the changes will impact heavily upon investment in Canada is greatly exaggerated. I believe we ought to keep that in perspective.

Some hon. Members: Hear, hear!

EFFECT OF PROVISIONS ON EMPLOYMENT IN INSURANCE INDUSTRY

Hon. David Crombie (Rosedale): Madam Speaker, the insurance industry in this country employs in the order of about 60,000 people, and tens of thousands of others depend upon the viability and strength of the insurance industry. The insurance industry, as well, has made representation to the minister asking him to revise those aspects of his budget which interfere with the stability of their business.

• (1120)

There are thousands and thousands of jobs now at risk in the insurance business. These people know figures, they know facts. They want to know whether or not the minister will give consideration to the things they need to ensure that their businesses remain stable and that their jobs are maintained. Will the minister look at their brief and bring in revisions to the budget which will allow the insurance industry to survive?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I can only repeat that I am open to suggestions from the hon. member as to how the situation can be improved.

Mr. Nielsen: Do you want to meet with our caucus tonight?

Mr. MacEachen: I would say, however, that we will have an opportunity in the House of Commons to consider all these measures in detail. They have to come before the Committee of

the Whole. It will be possible then to hear the views of hon. members and to provide the full information which is required in order to make a judgment on the points the hon. member raised this morning.

RETROACTIVITY OF PROVISIONS AFFECTING RETIREMENT INCOME

Miss Pat Carney (Vancouver Centre): Madam Speaker, my questions are also addressed to the Minister of Finance. If he is asking for suggestions from our party, he should withdraw the whole budget.

Some hon. Members: Hear, hear!

Miss Carney: While the minister has been away the budget has come under heavy attack, even from members of his own caucus. Many budget proposals are unfair because they are retroactive. They impose heavy tax penalties on people who made their plans in good faith. To alleviate the real anxiety of many Canadians, will the minister grandfather those provisions which restrict income tax deductions on pension rollovers, severance pay and income annuities, particularly for farmers because it is often the only retirement plan they have, so that people may plan in some confidence for their retirement? Will he state the changes he might make today?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, the hon. member suggested that I withdraw the budget. I want to assure her that this is not a Jerusalem budget.

Some hon. Members: Oh, oh!

APPLICATION OF CAPITAL GAINS TAX

Miss Pat Carney (Vancouver Centre): Madam Speaker, it has been suggested to me that it is a Damascus budget. Since the minister did not answer, since he will tell his Liberal caucus but he will not tell the House of Commons, I will proceed to my next question.

A second major criticism is that under the budget the minister is collecting taxes from people before they have the money to pay them, forcing them to banks or into bankruptcy. For instance, the minister is taxing income accumulating in life insurance policies before it is paid. He is taxing capital gains on the sale of property before payments are actually made. Where does the minister expect Canadians to find the cash to pay his new taxes on income they have not yet received?

Some hon. Members: Hear, hear!

Mr. Jarvis: Borrow it from the banks!

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, the budget debate resumes on Monday. We will be in Committee of the Whole in due course on all these measures.

An hon. Member: Where will you be?

Mr. MacEachen: It is not my intention to debate the over 122 measures which are in the income tax changes, each day on orders of the day. I assure you, Madam Speaker, that is not my intention.

* * *

BANKS AND BANKING

TAXATION OF PROFITS

Mr. Edward Broadbent (Oshawa): Madam Speaker, the Minister of Finance said that his budget is not a Jerusalem budget; it is certainly not a New Jerusalem budget!

Almost all the bank profits are now in, with Toronto-Dominion up 40 per cent; Royal up 50 per cent; and today the Canadian Imperial Bank of Commerce up 62 per cent. If the government levied an excess profits tax that would still leave the profits of those banks at the same high level that they were at last year, the government would have an additional $700 million. Why will the minister not do that and bring mortgage relief to the thousands of Canadian families who need it from coast to coast?

● (1125)

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, the hon. member's question is completely rhetorical. He is not asking for any information, he is making a little speech. And I thought it was all right.

Some hon. Members: Oh, oh!

REQUEST FOR AMENDMENT TO BANK ACT

Mr. Edward Broadbent (Oshawa): Madam Speaker, the minister obviously does not care one whit about the thousands of families who are losing their homes. That is clear day after day in the House. Last week he said he did not have the authority to require the banks to put up mortgage money that the average family could afford. In light of the truly exorbitant bank profits, will the minister now commit the government to changing the Bank Act to make it mandatory for the banks to bear their share of the burden for our housing problems and provide mortgage money for the average family at rates that family can afford. If so, we on this side of the House will guarantee passage of that bill within a matter of days, if not hours.

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, the hon. member has repeated a false statement, that thousands of Canadians are losing their homes as a result of high interest rates. That, of course, is a false statement, and the hon. member has repeated it again and again, "thousands of Canadians are losing their homes." That is false. We have made provision in the budget to ensure that no Canadian family will lose a home because of

high interest rates. That is a fact, but the hon. member refuses to acknowledge that fact.

The hon. member says, "You know, if you bring in a bill to discipline the banks, I will support it." I do not take the hon. member's suggestion as serious. When we brought in a bill to put taxes on the oil and gas companies, did we get any help from the NDP? When I moved in the budget to deal with the tax expenditures, as he had been requesting for weeks before the budget, did he stand up and vote for that? Not at all.

* * *

THE ECONOMY

REQUEST THAT GOVERNMENT INTRODUCE SPECIAL JOB-CREATION MEASURES

Mr. Edward Broadbent (Oshawa): Madam Speaker, I can tell the minister that, if in addition to closing a few loopholes he had also not reduced the tax on the two richest categories, he might have got some support from this side of the House.

I will put my last question to the minister. Since we now have 900,000 plus unemployed—I am sure that touches him very deeply—and we have a need for an additional 50,000 housing units in this country and there are unemployed Canadians in almost every sector, will he consider bringing in special measures that will create the houses that are needed, and that will provide jobs for men and women who would rather be working and paying taxes than collecting unemployment insurance?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, the hon. member makes a suggestion, and then, if one accepts it, he always adds further requests, as he did during the whole constitutional debate. That is why I am a bit nervous about acceding to any of his proposals with respect to the banks or anything else. If I brought in a bill to discipline the banks he would say, "You have not included the credit unions, and I will not support you until you do that."

* * *

MINES AND MINING

ANNOUNCED CLOSING OF MINE AT URANIUM CITY, SASK.

Hon. Ray Hnatyshyn (Saskatoon West): Madam Speaker, I have a question for the Minister of Energy, Mines and Resources. Yesterday Eldorado Nuclear Limited announced a shutdown of its operation at Beaverlodge mine in Uranium City, Saskatchewan, throwing 830 employees out of work and devastating Uranium City. That is a tragedy indeed. The uranium support and supply centre of Saskatoon will also suffer very serious and adverse consequences as a result of this move. In the past Eldorado kept Beaverlodge operative when the price of uranium was $6 per pound. It had a device for stockpiling through Uranium Canada.

In view of the tragedy that will befall northern Saskatchewan, will the minister impose a moratorium on the shutdown of this mine so that we can examine the alternatives and consider the viability of the mine? This is especially important in view of the fact that Eldorado has recently moved 45 new families in and has made significant capital expenditures on this operation at a time when we are suffering unprecedented lay-offs in the country.

Mr. Nielsen: Get the old cartel going.

● (1130)

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, the decision has been taken by Eldorado with a great deal of concern and a great deal of consideration. As a matter of fact the decision has been taken not to close the mine until June, 1982, in order that there will be ample time for the necessary measures to be taken to ensure that the families concerned will be able to find other employment and find another—

Some hon. Members: Where?

Mr. Lalonde: —location. In the mining industry there is demand for competent workers, if my hon. friend does not know about it. This is a decision which has been taken as a last resort. It would cost the company over $500 million over the next five years to continue operation of this mine.

As my hon. friend knows, mining is non-renewable. Mining at Uranium City is in an area where ore is declining. There has been a decline of the quality of the ore by something like 40 per cent; plus there has been a decline in the price by 50 per cent. Two other mines under private ownership in the area have closed in the last few years. Eldorado has tried to continue the operation of this mine as long as possible.

I have made personal examination of the issue. Unfortunately, I have had to come to the conclusion that the Eldorado decision was the right one in the circumstances.

REQUEST THAT PARLIAMENTARY COMMITTEE BE ALLOWED TO ASSESS SITUATION

Hon. Ray Hnatyshyn (Saskatoon West): Madam Speaker, I for one, am not prepared to accept the answer of the minister. I would suggest to the minister that this decision would not have taken place if the mine were located in the minister's riding of Outremont. It is reminiscent of the fiasco which occurred when the government wasted hundreds of millions of dollars in the relocation of the refinery at Port Hope at the direction of the minister.

Some hon. Members: That's right.

Mr. Hnatyshyn: There are a number of questions which must be answered before a precipitous step of this sort can be taken. For example, the minister has indicated that the spot market is low. The fact is that Eldorado has a number of long-term contracts. At what price is uranium being sold at

long-term contract? Other questions, indeed, involve the question of stockpiling—

Madam Speaker: Order, please. The hon. member seems to be enumerating many items. I would like to know which one is the object of the question.

Mr. Hnatyshyn: Madam Speaker, that is the problem. There are so many questions left unanswered by the minister that I will ask him the following question. Eldorado Nuclear is a Crown corporation which is accountable to Parliament. I think parliamentarians have a role in this matter. Will the minister not agree to forestall this closure to allow a parliamentary committee to make an independent assessment of the viability of the mine and the alternatives available to Eldorado in connection with this mine?

Some hon. Members: Hear, hear!

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, I would remind the hon. gentleman that yesterday the President of Eldorado Nuclear Limited met with the Premier of Saskatchewan and has examined this issue. I would also like to tell the hon. member that I resent the kind of insinuation he has attributed on a purely partisan basis.

Some hon. Members: Oh, oh!

Mr. Paproski: What do you know about being partisan?

Mr. Lalonde: As ministers of the Crown we are acting for all Canadians, and are trying to make decisions in the interests of all Canadians. The decision has been taken by Eldorado Nuclear on its own, as a Crown corporation.

I remind my friend that I am appearing before the parliamentary committee on national resources on Monday night. If he wishes Eldorado to be present, I would certainly be very happy to make arrangements for Eldorado to answer any questions my friend may have to ask. Therefore the hon. member does not have to make a big fuss about it. If the committee wants to hear Eldorado, Eldorado will be there on Monday night.

Miss MacDonald: Ten minutes for 800 jobs.

* * *

THE BUDGET

CANADA MORTGAGE AND HOUSING CORPORATION ADVERTISEMENT—REQUEST THAT MINISTER RESIGN

Mr. Tom Cossitt (Leeds-Grenville): Madam Speaker, my question is directed to the minister responsible for housing. On previous occasions, including yesterday, the minister told the House that information I presented with regard to CMHC being aware of certain budget information three days in advance of the budget was incorrect. Yesterday he completely denied that anyone outside government, namely, Studio S&B in Montreal, knew anything about the budget in advance. I presume that the minister is aware that Ray Hession, President of Canada Mortgage and Housing Corporation, has publicly stated that the facts which I gave were correct. I also presume he is aware that last night the CBC television news quoted the vice-president of CMHC as saying that my facts were substantially correct.

I therefore ask the minister, will he now change his story for the fourth or fifth time? Will he now tell the House exactly what did happen? Finally—

An hon. Member: Will he tell the truth?

Mr. Cossitt: —will he resign his portfolio because he has displayed absolutely nothing else but total incompetence? He apparently does not even know one thing about what is going on inside his own department.

Mr. Nielsen: Come clean!

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, the ad to which the hon. member has referred is one that I have in my hand. It is a document which stresses "attention to home owners". It has telephone numbers which they can call to solicit information on the budget material. This ad was published the day after the budget, and it was published in most newspapers the weekend after the budget was announced.

Mr. Nielsen: We know all that.

Mr. Cosgrove: It was not delivered to the newspapers until after the Minister of Finance had completed his speech in the House.

Some hon. Members: Answer the question.

Mr. Cosgrove: The Canada Mortgage and Housing Corporation officials had charge of the security of this document—

An hon. Member: What about S&B?

Mr. Cosgrove: —until such time as it was delivered to the newspapers after the speech. They were assisted by some employees of the firm of S&B in Montreal.

Some hon. Members: Oh, oh!

Mr. Cosgrove: They were assisted by typesetters who assisted in setting up the document. It was prepared by CMHC in anticipation that the recommendations to the Minister of Finance—

Some hon. Members: Oh, oh!

Mr. Cosgrove: —by me would be accepted and—

Mr. Nielsen: Ah, ah!

Mr. Cosgrove: —would be in the budget as announced. When that was confirmed, Canada Mortgage and Housing Corporation authorized the release of those documents which

were in sealed envelopes until that time, to be distributed to the newspapers, as I have indicated.

Some hon. Members: Hear, hear!

Miss MacDonald: But the printers had it before.

REQUEST FOR REFERRAL TO PARLIAMENTARY COMMITTEE

Mr. Tom Cossitt (Leeds-Grenville): Madam Speaker, in view of the tendency of the minister to go out on limbs and let himself be sawed off, I will not direct my supplementary question to him because I would not want him to fall again. I direct my supplementary question to the Prime Minister.

It now seems that there is substantial evidence to indicate that the House may have been intentionally misled. I choose my words with regard to this matter as carefully as possible. In view of the admission of the president and the vice-president of CMHC that they had budget information in advance which they gave to S&B Studio in Montreal, also in advance of the budget, will the government support referring this matter to a parliamentary committee for a complete investigation of all the facts; and, if it will not support this, why will it not? If it has nothing to hide, why would it not support such a thing? Can the Prime Minister tell us now whether he will support such a thing so that the air will be cleared, or will he simply save time by asking for the resignation of an incompetent minister?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, if I were the hon. member I would not ask for the minister's resignation. I would ask him supplementary questions which the hon. member said might cause him to fall off the limb. Surely that is what the hon. member wants. He wants the minister to fall down. Why does he not ask him supplementary questions?

Mr. Cossitt: Why does the Prime Minister not answer my question?

Mr. Trudeau: The hon. member wants the minister's resignation.

Some hon. Members: Send it to a committee.

Mr. Trudeau: He does not want his resignation. Does the hon. member want his resignation or not?

Mr. Cossitt: Pitiful!

* * *

[*Translation*]

TOURISM

IMPORTANCE OF EVENTUAL PARTICIPATION OF QUEBEC IN FEDERAL-PROVINCIAL CONFERENCE

Mr. Marcel Roy (Laval): Madam Speaker, my question is directed to the Minister of State for Small Businesses and Tourism. Even if the flags are flying at half mast in Quebec on government buildings, Quebecers still want to keep developing their economic and social sectors within a federal framework, Madam Speaker. Last week, the Minister of Agriculture confirmed that Mr. Garon, the Quebec minister, would not let a delegation from the federal government attend the Salon de l'Agriculture, although the federal government had contributed $96,000 for the Salon.

Madam Speaker: Order please. Does the hon. member have a question?

Mr. Roy: My question is as follows: Has the government of Quebec indicated an interest in the federal-provincial conference on the tourist industry which happens to be an important branch of the Quebec economy? Has the government of Quebec shown an interest in participating in this important event or will Quebecers once more be penalized by a government that is clearly separatist.

Madam Speaker: Order please.

Hon. Charles Lapointe (Minister of State (Small Businesses and Tourism)): Madam Speaker, I want to thank the hon. member for his question, and I am sorry to have to inform him that the government of Quebec, through its spokesman for tourism, Mr. Biron, has publicly announced that it would not take part in the federal-provincial conference on tourism to be held next week. I very much regret this decision, Madam Speaker, since we have been working with all my colleagues in the provinces and territories for more than two years in order to develop a national tourism plan at the request of the industry itself, the provinces and the federal government, following consultations with the private sector in 1978 and 1979. The plan is about to be finalized, and I do hope that, perhaps not next week at the conference but sometime during the weeks and months to come, our colleagues in the Quebec government will agree to take part in this important exercise that will benefit both the Canadian economy and the Quebec economy.

* * *

● (1140)

[*English*]

REGIONAL ECONOMIC EXPANSION

REQUEST THAT URANIUM CITY, SASK. BE DESIGNATED SPECIAL ASSISTANCE AREA

Mr. Lorne Nystrom (Yorkton-Melville): Madam Speaker, my question is supplementary to the one asked by the hon. member from Saskatoon. It is directed to the Minister of Finance. I think the minister is aware that, by his decision yesterday, Eldorado Nuclear in effect is wiping out a town of 3,000 people. I think there are 700 or 800 miners but everyone else depends on the mine, including all the small-business men.

This involves loss of jobs, houses, and the livelihood of the small-business men.

Would the Minister of Finance now declare Uranium City a designated area for special assistance, which I believe could be done for a region of high unemployment. This was done for Cape Breton and for Windsor. Could he guarantee the people of Uranium City, Saskatchewan, that their area will be designated for special assistance because of this tragedy to the ordinary person living there?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, over the last few weeks Eldorado Nuclear Ltd. has been working with the various departments of the government trying to make use of all programs available under federal government authority so as to make sure the families concerned will have the utmost support from those programs. In addition, the president of Eldorado Nuclear Ltd. met with Premier Blakeney and has offered to transfer to the government of Saskatchewan all the assets owned by Eldorado in Uranium City at Beaverlodge so that the government of Saskatchewan can use those facilities in any way it wants. We are taking all the steps that are possible to ensure that the families concerned will be looked after.

REQUEST FOR EARLY DECISION

Mr. Lorne Nystrom (Yorkton-Melville): Madam Speaker, I have two questions. I understand there is still a fair amount of money in the program for designated areas. First, could the minister tell us by early next week whether he will designate this area as an area for special assistance? Second, could the minister give a commitment to the 3,000 people of Uranium City that there will not be any financial losses because of a decision made by a federal Crown corporation, a decision which was beyond the means or responsibility of any worker or resident of Uranium City?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, I cannot give the assurance that I will be able to give an answer by the middle of next week. As I have said, the decision to close the mine will become effective only in June, 1982. We have tried to give as long a lead time as possible for all the adjustments to take place. I am sure there will be considerable discussions with the government of Saskatchewan and within the federal government as to the best action to take in that regard.

Obviously, when a mine closes there are other people affected besides the miners themselves. I do not know whether there has ever been a case of guarantees that no financial damage would be suffered by anybody as a result of the closing of a mine, whether closed by a Crown corporation or by a private corporation. Indeed, the same thing applies when a new mine starts up—there is nothing to prevent people from making money. When a mine comes into operation and is developed, many people benefit. However, when the ore has been extracted, naturally a mine has to close.

THE BUDGET

CMHC ADVERTISEMENT—SWEARING OF STUDIO WORKERS TO SECRECY

Hon. James A. McGrath (St. John's East): Madam Speaker, my question is supplementary to one asked earlier of the minister responsible for housing. The minister stated in the House today, as he stated on national television last night, that he took a long shot, and by happenstance and good luck it paid off. That is what he is trying to ask this House to believe, and that is what he is trying to ask the country to believe.

An hon. Member: You are fishing.

Mr. McGrath: I can assure the hon. member I am not fishing, because we have got him this time.

Some hon. Members: Oh, oh!

Mr. McGrath: If the minister was only taking the long shot, how then can he explain the statement of the president of Canada Mortgage and Housing Corporation which appears in today's press. Mr. Hession stated that the artists and others at graphic artists Studio S&B, "underwent strict security screening and briefing and were sworn to secrecy before they were permitted to work on the advertisements." If this, in fact, was not a budget document, which by the way subsequently appeared word for word in the budget, and if this was just a long shot, can the minister explain to the House why it was necessary to swear these people to secrecy?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, I know that the hon. member in the previous government was the minister responsible for fisheries. I wish he would get away from that ministry and direct his attention toward the area of housing. In that vein, I wish that he would get down—

Mr. Siddon: You should sit down.

Mr. Cosgrove: —to the merits of the problem facing the country and the problems of home owners that were brought to my attention daily by members opposite, including himself, namely, the problem of meeting mortgage renewals and high interest rates. I hope the hon. member will appreciate that in response to that, Canada Mortgage and Housing Corporation officials and myself on behalf of the government prepared programs to address that problem. That is why we were in a high state of readiness. That is why we had programs that were ready for public announcement the day after the budget was read in this House by the Minister of Finance.

An hon. Member: That is nonsense.

Mr. McGrath: Madam Speaker, the minister talks about a high state of readiness. What I am intrigued with is why there was such a high state of secrecy if this was not in fact a budget document.

CONVENTION OF BUDGET SECRECY

Hon. James A. McGrath (St. John's East): Madam Speaker, I direct my next question to the Minister of Finance. He will know from a statement made today by the president of Canada Mortgage and Housing Corporation that certain employees of the graphic artists firm Studio S&B, St-Antoine Street, Montreal, were sworn to secrecy and underwent strict security because they had in their possession a document which turned out to be the policy of the minister responsible for housing, word for word as it appeared in the budget of Thursday night, November 12. These people had this information several days prior to the budget.

There are people who could benefit financially from having that information in advance, not to mention the fact that budget convention requires strict secrecy, armoured cars and lockups. Can the minister tell the House whether he has satisfied himself that there was not a major leak of the budget? I remind him that one of his predecessors, Mr. Gordon, the minister of finance in nineteen sixty—

Madam Speaker: Order, please. The question has been asked and now the hon. member is continuing to make further comments. Therefore, I must interrupt him.

An hon. Member: Let us have an answer.

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I have not heard anything that would lead me to the conclusion that there was a budget leak of any kind.

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THE PRIME MINISTER

QUERY RESPECTING FUTURE PLANS

Hon. George Hees (Northumberland): Madam Speaker, my question is for the Prime Minister. Some of the answers which the Prime Minister gave yesterday in his press conference left considerable doubt as to his future plans. Being a betting man, he is thoroughly familiar with the process of creating bookmakers' odds on future events. Would the Prime Minister tell the House what he would consider at this time to be reasonable odds on the proposition that he will remain as leader of his party and lead the Liberal Party in the next general election?

Some hon. Members: Hear, hear!

• (1150)

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I must say that I am not in the betting business and I am unable to give odds to the hon. member, mainly for the reason that my answer yesterday indicated that it sometimes is difficult to resist a draft.

I do not know if there will be a great movement across the land or across the aisle for me to stay on for—

Some hon. Members: Hear, hear!

Mr. Trudeau: I see the leader of the New Democratic Party applauding my suggestion. In that case, if the draft is even coming from the opposite side, I will say that it is likely I will stay on after the next election, that is if the hon. member will continue to represent the good people of Northumberland.

ODDS ON NEXT GENERAL ELECTION

Hon. George Hees (Northumberland): Madam Speaker, I wonder if the Prime Minister would seriously take into consideration staying on as leader of the Liberal Party and leading his party in the next election. If he would do so, that would change the odds on the Conservative Party forming the next government from good to overwhelming.

Some hon. Members: Hear, hear!

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I think the hon. member may well be right. Unfortunately I could not go on to say that it would increase his odds of being in the next Conservative cabinet.

Some hon. Members: Oh, oh!

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AGRICULTURE

REQUEST THAT FARMING INDUSTRY RECEIVE PORTION OF FOREIGN AID FUNDS

Mr. John Gamble (York North): Madam Speaker, my question is for the Prime Minister. Yesterday I caused to be delivered to him 60 letters from farmers within the York region, one of which was a letter from Mr. Harold Lapp of Markham. All of the letters dealt with the crisis in the farming industry and with the pressure that is put upon farmers to vacate their farms and give them up, in some cases as a consequence of bankruptcy.

The point which Mr. Lapp made will be of interest to the Prime Minister. It is that, in order to pursue the Prime Minister's goal of increased food aid and assistance to Third World countries, it is necessary that there be some technical assistance available from the agricultural industry. Mr. Lapp pointed out that if present trends continue there will be no farming industry to make that assistance available to the Third World.

In light of the circumstances, as they affect farmers, will the Prime Minister now make some of the increased foreign aid which he advocates, available to the farming industry in Canada in order that we maintain that industry here?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I did receive the letters referred to by the hon. member which he received from his constituents, and I take them seriously. I received them by way of representation from the hon. member and from some of his constituents.

I must say that I was disappointed to see that some of the letters were arguing the point of view put forward by the hon. member, that we should not help the starving peoples of the world as much as we are. I was a bit disappointed at that, and I must say that I am surprised that a member of the Conservative Party is taking that point of view.

Mr. Gamble: Of course, the very point is that unless there is an independent farming industry in Canada, the only aid that will be made available through that industry will be through state farms. As a member of the Conservative Party, of course I am not in favour of that.

* * *

HOUSING

QUERY RESPECTING POLICY

Mr. John Gamble (York North): Madam Speaker, my supplementary question is for the Minister of Finance. The Minister of Finance has said in the House five times that no Canadian will lose his home as a result of high interest rates. The only policy that I have heard advanced, both by the minister and by the minister responsible for housing, is a policy which would place in the hands of Canadians, at a maximum, $250 a month for 12 months by way of a grant. Quite frankly, that is not enough to save Canadian homes. Does the minister have a policy which he has not yet announced in the House to save Canadians who are at risk of losing their homes?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, if and when there will be further decisions made with respect to the housing industry, they will be announced in the House in the usual way.

* * *

[*Translation*]

HATE LITERATURE

NOTICE PUBLISHED BY SAINT-JEAN-BAPTISTE SOCIETY IN "LE DEVOIR"

Mr. Pierre Gimaïel (Lac-Saint-Jean): Madam Speaker, my question is directed to the Minister of Justice. I hope that the minister had time to look at *Le Devoir*, the well-known newspaper, this morning. The last page was a full-page advertisement paid for by the Société Saint-Jean-Baptiste of Montreal. Madam Speaker, I would qualify that advertisement as hate mongering, as demagoguery, and as another attempt to mislead Quebecers as to what we are doing here.

My question for the Minister of Justice is as follows: Concerning this obnoxious advertisement—my Conservative colleagues should take a good look at it—I wish to ask the minister whether he intends to take any legal action against the newspaper that published this slander throughout the province today, and misrepresents our work as the people's representatives in the House of Commons.

Hon. Jean Chrétien (Minister of Justice and Minister of State for Social Development): Madam Speaker, I don't know whether there is a case for legal action or not. What I do know, and have observed in the course of my public life, is that mud throwing is the weapon of the weak.

* * *

[*English*]

IMMIGRATION

REQUEST FOR MORATORIUM ON ORDERS ISSUED AGAINST CLAIMANTS FOR REFUGEE STATUS

Mr. Dan Heap (Spadina): Madam Speaker, my question is for the Minister of Employment and Immigration. I am sure the minister is aware that last weekend there was a conference of organizations concerned with refugees which considered the task force report which came out at the minister's request, and which commented on the weaknesses of the Refugee Status Advisory Committee and its proceedings.

Considering that the Immigration Act requires the Refugee Status Advisory Committee to read the transcript of evidence of each person claiming refugee status and to make a direct judgment on each claim, and considering that the minister's task force has recently reported that, in violation of the Immigration Act, half of the transcripts were never read by the committee, and considering that almost three quarters of all claimants have been rejected—no doubt including all those who were denied their legal right to have their transcripts read by the committee—will the minister agree to the request made by the standing conference of organizations concerned with refugees to declare a moratorium on all removal orders and all departure notices affecting refugee claimants whose claims have been refused within the existing process?

Hon. Lloyd Axworthy (Minister of Employment and Immigration): Madam Speaker, as the hon. member knows, we did establish a task force with the very specific purpose of examining the whole refugee determination procedure, to ensure that it lived up to the spirit of the act which was passed by Parliament and came into force in 1978.

I am already acting upon a number of those recommendations and I will be establishing new guidelines for the Refugee Status Advisory Committee as well as appointing new members to that committee. We could not, however, entirely close down the entire system because, as the hon. member knows, we are faced with an enormous backlog of people who came in during the past year to claim refugee status on somewhat spurious grounds. In fairness to them and to the public, we want to continue processing those claims. But we are prepared to entertain any further recommendations for change, and for that reason I have called a conference which will be chaired by the hon. member for Louis-Hébert. It will be held in the new year, at which time we will be glad to undertake an examination of the representations made by the conference.

UNEMPLOYMENT INSURANCE

PROCESSING OF CLAIMS MADE BY WORKERS LAID OFF IN HAMILTON, ONT.

Mr. Ian Deans (Hamilton Mountain): Madam Speaker, I have a brief question for the same minister. The Steel Company of Canada has announced that it will not be recalling about 20 per cent of its work force as a result of a downturn in the steel industry. Would the Minister of Employment and Immigration set up a special UIC task force to go into Hamilton and meet with the company, the union and the affected employees, to speed up their claims for unemployment insurance so that they will not be caught up in the process as the workers at Heckett and at Crosstown Mobile Car Wash were?

Hon. Lloyd Axworthy (Minister of Employment and Immigration): The situations sound quite different. In the case of Heckett Engineering and the Mobile car wash, they were under Section 44 of the act which deals with groups of workers who are not directly involved in a strike position but are subject to the liabilities under the act. As the hon. member knows, we have already cleared up those two cases.

In the case of workers who are directly involved, we would be quite prepared to look at any particular problem which might be occasioned by the large numbers which would be involved. I would be prepared to examine that, but I want to make clear to the hon. member that these are two different situations and require two different responses.

* * *

HOUSING

PROJECTED RENTAL INCREASES IN OTTAWA-CARLETON REGION

Hon. Walter Baker (Nepean-Carleton): Madam Speaker, my question is for the minister responsible for housing. He is aware that in the Ottawa-Carleton region the major rental owner is Minto Management Limited which is intending to raise its rents substantially to some 7,000 to 9,000 tenants. We have one of the lowest vacancy rates in Canada, and there is very little choice in housing in a situation that is virtually a monopoly.

● (1200)

Would the minister please tell the House where in the budget there can be some specific help granted to Ottawa-Carleton so that there can be a choice made in housing? I have looked at the budget. I think the provisions in terms of alternate housing are next to useless. Will the minister make a recommendation to the Minister of Finance that he increase measures for the availability of housing stock so that people will have a choice and not be subject to a monopoly?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, in the budget announcement dealing with stimulus to rental construction one of the conditions of that housing and

its identification for stimulus is that it be located in markets which indeed do have tight vacancy rates. I must bring to the attention of the hon. member that the city of Ottawa does not have a tight vacancy rate when compared with other metropolitan areas such as Vancouver, Victoria, Saint John, and metropolitan Toronto. These, by comparison and by normal standards, are not high.

I also bring to the hon. member's attention that the city of Ottawa has requested an increase in allocation under Section 56(1), which relates to non-profit and co-op housing. We have already responded to Ottawa's request for an increase in rehabilitation funds, which permit people to stay in their homes longer. I know those two programs are well received by the city. We are taking into account its request for further allocation.

* * *

PETITIONS

TABLING OF REPORTS OF CLERK OF PETITIONS

Madam Speaker: I have the honour to inform the House that the Clerk of the House has laid upon the Table reports of the Clerk of Petitions stating that he has examined the petitions presented by hon. members on Thursday, December 3, 1981, and finds that they meet the requirements of the Standing Orders as to form.

Mr. Bill Wright (Calgary North): Madam Speaker, I rise on a point of order. The Minister of Finance (Mr. MacEachen) stated in this House this morning that no Canadian will lose his home because of high interest rates. As Your Honour is aware, many petitions have been presented to the House on behalf of people who are going to lose their homes, and I would like to know, if possible, from the Clerk of the House how many petitions have been submitted to the House in this respect, how many individuals have stated in their petitions that they will lose their homes and how many regions are represented by those petitions.

The Minister of Finance has misled the House because he has sat here and listened to those petitions being read—

Madam Speaker: Order, please.

Mr. Wright: Inadvertently.

In addition to that, many real estate firms have sent letters to every member of this House stating that people are losing their homes. The real estate board and HUDAC have written numerous letters.

Madam Speaker: Order. Before the hon. member gets into debate, I think I can satisfy him by saying that the petitions as they were presented to the House are at the disposal of hon. members, who may examine them and compile statistics. Perhaps we can assist hon. members in compiling those statistics, but the point of order raised by the hon. member I can answer immediately.

Order Paper Questions

Mr. Wright: Will Your Honour make those available?

Madam Speaker: They are available as a matter of course.

ROUTINE PROCEEDINGS

[*Translation*]

MANAGEMENT AND MEMBERS' SERVICES

FOURTH REPORT OF STANDING COMMITTEE

Mr. Marcel Roy (Laval): Madam Speaker, I wish to table the fourth report of the Standing Committee on Management and Members' Services, in both official languages.

[*Editor's Note: For text of above reports, see today's Votes and Proceedings.*]

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BUSINESS OF THE HOUSE

NOTICE OF TIME ALLOCATION FOR THIRD READING OF BILL C-48

Mr. Lalonde: Madam Speaker, I wish to inform the House that notwithstanding consultation with the representatives of the parties, it has not been possible to reach an agreement pursuant to Standing Order 75A or 75B for the third reading stage of Bill C-48, an act to regulate oil and gas interests in Canada lands and to amend the Oil and Gas Production and Conservation Act. I therefore wish to give notice that at a later date, I shall move pursuant to Standing Order 75C that one sitting day be allocated to the third reading stage of this bill.

[*English*]

Mr. Nielsen: I am sorry, Madam Speaker, but I did not get the translation, and the minister's French is a little too rapid even for me. When did he say he would be moving that motion?

[*Translation*]

Mr. Lalonde: At a later date.

* * *

[*English*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, the following questions will be answered today: Nos. 2,782, 2,804, 2,961, 3,162, 3,164 and 3,465.

[*Text*]

CENSUS CONTACTS

Question No. 2,782—**Mr. Cossitt:**

1. With reference to the answer to question No. 2,343 which includes the name of J. Maxim, 618-9th Ave. N.E., Calgary, Alberta in the constituency of Calgary East among the names and addresses of contacts used by Statistics Canada for the 1981 census, is the government aware that this individual is the president of the Calgary East Liberal Association?

2. Did such political affiliation play a part in his appointment by Statistics Canada and, if so, what part?

Hon. J.-J. Blais (Minister of Supply and Services): 1. The fact that J. Maxim was the president of the Calgary East Liberal Association until February 11, 1981, is a matter of public record.

2. See reply to question No. 2,555 answered December 1, 1981.

SOVIET INSTITUTE OF U.S.A. AND CANADA

Question No. 2,804—**Mr. Munro (Esquimalt-Saanich):**

To the knowledge of the government, during the past five years, did Canadian public officials or private individuals appear as guest speakers before the Soviet Institute of the U.S.A. and Canada and, if so, in each case (a) what was his/her name (b) was the speaking engagement solicited or did it occur as a result of an invitation from the Soviet authorities (c) were other Canadians, official or otherwise, present during the presentation and, if so, what were their names?

Hon. Mark MacGuigan (Secretary of State for External Affairs): To our knowledge during the past five years the only Canadian public official to appear as a guest speaker before the Soviet Institute of the U.S.A. and Canada was Mr. Ivan Head in 1977. Mr. Head at that time was the Prime Minister's foreign policy advisor. He was invited to speak before the Soviet Institute and to our knowledge no other Canadian public officials were present during this speaking engagement. In June, 1981, at the request of the Alberta government, Mr. Horst Schmidt, the Alberta minister of economic development, visited the Soviet Institute in question for discussions with its senior representatives. Three Canadian Embassy officers were present during this visit: Ambassador Geoffrey Pearson, Minister Counsellor Peter Hancock and Second Secretary Robert Poetschke.

Against this background, while agencies of the federal government, such as the Social Sciences and Humanities Research Council of Canada (SSHRC), do have official exchange programs with the U.S.S.R. Academy of Sciences, a branch of which is the Soviet Institute of the U.S.A. and Canada, we do not have any specific exchange programs of an institution-to-institution nature with the Soviet Institute in question. As such there has not been a federally-sponsored program involving Canadian officials or private individuals either on exchange with or speaking at the Institute of the U.S.A. and Canada. We understand that there have been occasions over the past five years where on an ad hoc basis, private individuals or Canadian official exchangees doing research in Moscow, have been invited by the Soviet side to speak before the Institute of the U.S.A. and Canada. While it appears that in most cases these invitations have been initiated by the

Soviet side, there have been instances when Canadians visiting Moscow for business or touristic purposes have visited the Soviet Institute. Against this background it has generally not been the practice of the Institute of the U.S.A. and Canada to invite Canadian officials, including embassy representatives, to participate or sit in on these private visits or speaking engagements. In view of the personal and unofficial nature of these speaking engagements, the government considers that it would not be appropriate to identify the names of those individuals who have visited the institute.

PSC—UNINSURED LOSSES

Question No. 2,961—**Mr. Clarke:**

With reference to the uninsured losses of more than $1,000 of equipment recorded by the Department of the Secretary of State for the Public Service Commission of Canada in footnote No. 19 at page 13.4, volume 1 of the 1979-80 Public Accounts of Canada, under what circumstances was the office machinery lost and (a) who was culpable (b) were any convictions made and, if so, what sentences were imposed (c) are any trials or appeals pending (d) was the equipment replaced (e) did the commission undertake steps to ensure that such losses did not recur and, if so, what were they?

Hon. Gerald Regan (Secretary of State): I am informed by the Public Service Commission as follows: Most of the thefts reported during 1979/80 took place in Public Service Commission training centres and involved theft of training aids rather than office machinery as such. The items were normally reported stolen overnight or during a weekend.

(a) Various unknown persons.

(b) No.

(c) No.

(d) The stolen equipment was replaced from existing inventory.

(e) Yes. Contracted security services were awarded to different firms; tightened internal security procedures were developed and published; and an employee security awareness program was promoted within the commission.

DND—CONTRACT WITH ADGA SYSTEMS INTERNATIONAL

Question No. 3,162—**Mr. McKinnon:**

Did the Department of National Defence place a $50,000 contract under contract number 03GR3200248 (2GR81-00226) with Adga Systems International for engineering consulting services and, if so, what specific services is the company providing?

Hon. J.-J. Blais (Minister of Supply and Services): The Department of Supply and Services, on behalf of the Department of National Defence, awarded a contract to Adga Systems International. The purpose of the contract was to provide the Department of National Defence with scientific and engineering services to support design, development, procurement, test evaluation and modification of experimental electronic warfare (EW) communications, radar and infra red/electro optical (IR/EO) equipment.

Order Paper Questions

DND—CONTRACT WITH A. LAVENDEL & ASSOCIATES

Question No. 3,164—**Mr. McKinnon:**

1. Did the Department of National Defence place three contracts with A. Lavendel & Associates for assorted aircraft parts and airframe spares, as indicated in volume 8, No. 31 of the weekly bulletin of "Business Opportunities"?

2. Is the company an aircraft parts manufacturer and, if so, for what reason did it receive the contract?

Hon. J.-J. Blais (Minister of Supply and Services): 1. The Department of Supply and Services did place the three referenced contracts on behalf of the Department of National Defence with A. Lavendel & Associates.

2(a) No. Lavendel is not an aircraft parts manufacturer but a Canadian agent. Governmental policy provides for the inclusion of manufacturers, agents and distributors on the Department of Supply and Services source lists. When responding to a bid, an agent plays the role of a prime contractor and, if successful, secures the needed items through appropriate means and delivers said items according to the terms of the contract. In supporting aging, out of production aircraft such as the CF-104, it happens frequently that bids are received only from such organizations and necessity dictates that needed spares be obtained from them.

2(b) A. Lavendel was awarded the referenced contracts on the basis of being the lowest bidder for most items awarded to the company and on the basis of best delivery for certain items urgently required in connection with the CF-104 depot level inspection and repair/service life extension program (DLIR/SLEP).

MR. JEAN NOEL TREMBLAY

Question No. 3,465—**Mr. Cossitt:**

With reference to the answer to question No. 2,581 stating in part with regard to payment of public funds to Mr. Jean Noel Tremblay, "See Energy, Mines and Resources' reply to question No. 5 tabled February 24, 1981.", is the government aware that Mr. Jean Noel Tremblay is not mentioned in the reply referred to and is the government prepared to issue a corrected answer to question No. 2,581?

Hon. Yvon Pinard (President of the Privy Council): The hon. member is referred to the reply to question No. 5, tabled in the House of Commons February 24, 1981 as an order for return, Sessional Paper 321-2/5.

[*English*]

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

[*Translation*]

Madam Speaker: The questions enumerated by the parliamentary secretary have been answered. Shall the remaining questions be allowed to stand?

[*English*]

Mr. J. M. Forrestall (Dartmouth-Halifax-East): Madam Speaker, I am aware of the custom over the years with respect to responding to questions placed on the Order Paper and the courtesy that is extended with respect to starred questions. I

ask the indulgence of the parliamentary secretary because of the urgency of questions dealing with the loss of some 60 destroyers, and now two more, leaving us with just one.

My question is question No. 3,494. It is a long question and I will not repeat it, but in essence it asks for a report on the status of our destroyers and destroyer escorts. What is the nature of the damage? What will it cost to repair them? When will they be operational? What contingency plans are we putting in place in the interim? Have we advised our NATO allies and, if so, what was the nature of that advice? To what degree does the present status of our fleet which, with the exception of one ship, is inoperable in terms of destroyers, affect our stated roles and commitments both here at home and abroad?

I think the parliamentary secretary will realize the significance of the Canadian navy's having no ships. For the edification of the House and the people in this country who are concerned, he might want to look at whether he will be able to respond to these questions early in the new week.

Mr. Smith: Madam Speaker, I will convey that representation to the minister. I point out, however, that the question is a complicated one. It is dated November 27. However, I will see what can be done to expedite the answer.

Mr. McKinnon: Madam Speaker, I rise on the same kind of point of order. I have risen on previous occasions about question No. 2,035, which is dated January 27 of this year, and question No. 2,519, which is dated May 21. The first question had to do with the cost of the trip by service aircraft by the Prime Minister to Austria last year. The second one had to do with the number of people using Falcon aircraft in one quarter of this year. All these expenses are borne entirely by the taxpayer, and I believe the taxpayer of the country has the right to know what he is spending his money on.

It is rather ironic at a time when we have a freedom of information bill in this House that the government is not disclosing information which hitherto it did. It is not unusual to ask what the cost of travel has been for ministers and prime ministers, and up until now it has always been forthcoming.

On November 26 I asked the same question, and I pointed out that on each occasion when I had asked it before the parliamentary secretary had said, "I will take notice of the representation and make inquiries." I asked him what kinds of answers he gets to those inquiries, and he said, "I will take further note; I am still awaiting the response from my earlier inquiry." I am beginning to wonder if any of the ministers know who the parliamentary secretary is or what he is supposed to be doing and accomplishing in this House, because he is certainly failing abysmally in getting answers to important questions of long standing.

Mr. Smith: Madam Speaker, I will again take note of the hon. member's representations. I have indicated that I would make inquiries. I have made inquiries, and I have been advised that the answers will be forthcoming before too long.

I ask, Madam Speaker, that the remaining questions be allowed to stand.

Madam Speaker: Shall the remaining questions stand?

Some hon. Members: Agreed.

• (1210)

GOVERNMENT ORDERS

[*English*]

BUSINESS OF SUPPLY

ALLOTTED DAY, S.O. 58—ATLANTIC FISHING INDUSTRY

Hon. John A. Fraser (Vancouver South) moved:

That this House condemns the failure of the government to foresee or avert the crisis facing the Atlantic fishing industry, regrets that Canadian-owned fish processing plants facing closure have not attracted the same active support from the government as have foreign multinationals in other parts of Canada experiencing similar difficulties, and urges the Minister of Fisheries and Oceans to listen sympathetically and respond positively to the four Atlantic Ministers of Fisheries when he meets with them on Monday, December 7, 1981.

He said: Madam Speaker, the issue that is in front of the House today is extraordinarily important. The tragedy is that the situation that is facing the east coast fishery was clearly foreseeable. For many months the government has been in a position to know that some kind of plan of action had to be put in place. If one looks at the newspaper headlines from as early as August of this year, one will see that they are indeed enlightening. I quote from *The Globe and Mail* of August 13: "Fish production cuts widespread, east coast situation may get worse." August 12, *The Globe and Mail*: "National Sea Products to shut three major plants." Again in August: "National Sea shutdowns leave 1,800 out of work."

My colleague, the hon. member for St. John's East (Mr. McGrath), wrote to the government in August. The hon. member is a former minister of fisheries. An article in the Halifax *Chronicle-Herald* was headlined: "McGrath warns Atlantic fishery about to collapse." An item in the *Financial Post* was headlined: "Rough waters for fish exporters." More recently, on October 21, we see in the Halifax *Chronicle-Herald:* "Fishery hit hard by poor U.S. market." The October 21 edition of the St. John's *Evening Telegram* says: "Rompkey says Ottawa is prepared to help." That, of course, refers to the Minister of National Revenue (Mr. Rompkey). In October 17 *The Globe and Mail* we see an article headlined: "Hard times down east."

I am glad to see that the Minister of Fisheries and Oceans (Mr. LeBlanc) has been able to return to the chamber because I know the minister is concerned. He has told us so. The minister knows there are problems in the east coast fishery because he has told us there are problems. As I said to the minister in committee earlier this week, a very great parliamentarian named Winston Churchill once said of problems: "Don't speak to me of problems, the problems will speak for

themselves; come up with a plan of action." This government has not come up with a plan of action. That is why it is to be condemned for a situation on the east coast which is getting worse and for which there is no response whatsoever from the Government of Canada.

The minister was in committee, as I said, where he told us what the problems are. He told us about the problems of marketing, commodity quality, problems over capitalization and the problems of too many licences and more fish plants being built than he thought was appropriate. However, during all this time, except for a short interruption, it has been the Liberal Party in power and this minister who has been the minister of fisheries.

There is no answer. We know there are plants facing imminent collapse in the Atlantic fishery. It is no secret that one company in Newfoundland is in critical condition. It is no secret either that that company has put before both the provincial government and the Federal government a plan of action which will require some support and help from both levels of government. I know the minister knows all about this. However, there are other plants the minister may be hearing about unless something is done.

It is incredible that after all these months the minister will only on this coming Monday get together with his provincial counterparts. When we asked him what he is going to say to his counterparts, what sort of plan of action he might put forward on behalf of the federal government, this is what he said:

> But I intend to say to my provincial counterparts on Monday, and in fact to give them all the information we have, because I think there is a certain amount of misinformation floating around.

The minister smiles. There is always a certain amount of misinformation floating around, especially when ministers are making speeches.

Mr. LeBlanc: Especially when the opposition is asking questions.

Mr. Fraser: When the opposition is asking questions, the misinformation is what comes back by way of answers. The minister is saying here that when he meets with the provincial ministers on Monday, he will give them all the facts. Isn't that interesting.

What facts does the minister think he can give them that they do not already have? Is he going to tell them there is a plant in imminent danger of collapsing because it does not have the financing it needs? Is he going to tell them that there are other plants that will be closing unless they receive help soon? Will he tell them that in Newfoundland there is 30 to 40 per cent unemployment in these areas? Is the minister going to tell them again that we should not catch so many fish or we should fix up the fish better before selling them?

Is the minister going to tell them what he told the world in his speech of October 3? Talk about misinformation. Everybody asks what was meant in that speech. The minister said we have to export less fish, or at least we need to have less people exporting fish. The minister smiles. He says, "Yes, now the hon. member of the opposition has it straight." He says we have finally found out. He made the speech on October 3, but is only now getting it sorted out and only because we are asking questions. When the minister talks about misinformation, he adds to it.

What is the minister going to tell his provincial counterparts? Is he going to tell them that he intends to bring in legislation to cut down the number of exporters? What is his real position? Should we be exporting fewer fish or selling fewer fish? Should we not be selling more fish in more markets?

I can go along with the minister when he says there has to be better quality control. I understand, as does everyone else, including the ministers who will be meeting with him on Monday, that the American market is not what it was a few years ago.

What these ministers will want to hear is not what they already know. They are not coming to Ottawa to be told that there is a lot of misinformation floating around, as the minister told us in committee a few days ago. They will be coming to Ottawa to hear from the minister what is the federal approach. We have not heard that. We hope we will hear it today.

It is the responsibility of this government and this minister to tell us what is being done and to put a plan before the provincial ministers. No one is suggesting that this minister or the federal government must necessarily come up with all the answers or be fully responsible to do everything that is needed. But the federal government is the lead government in this matter. The federal government must present a plan. We want to hear from the minister today. We do not want any misinformation. The minister smiles. I do not know whether that is a smile of shame or anticipation. In either case, we will be grateful for some information today.

• (1220)

In closing, Mr. Speaker, it is not really a laughing matter; I know the minister knows that. The situation on the east coast is extraordinarily serious. We are not talking just about corporations; we are talking about people; we are talking about families; we are talking about men and women whose very livelihood and future are threatened. When one considers that the annual incomes of fishermen in Newfoundland, as a consequence of the very difficult time they are now facing, are down to around $4,000 a year, and that is including unemployment insurance, then we are facing not only an economic tragedy but a social tragedy.

We would like the minister to speak to us today and to tell us what he is going to do, Mr. Speaker. We do not need to be told what the problems are, we can see them. I would hope that the minister is not going to say that by asking questions we are spreading misinformation.

Mr. McGrath: I rise on a point of order, Mr. Speaker. Surely the custom demands that we are entitled to hear a reply from the Minister of Fisheries and Oceans (Mr. LeBlanc), to

whom the motion is addressed and to whom the remarks of my colleague, the hon. member for Vancouver South (Mr. Fraser), were addressed. He is the one who is responsible and he is the one who has to give an account to this House. If we are to have an orderly debate today, surely we are entitled—

Mr. Deputy Speaker: Order, please. If the hon. member is rising to be recognized, he can certainly be recognized. The Chair is looking at this stage to hon. members who are seeking the floor.

Mr. Fraser: I rise on a point of order, Mr. Speaker. My point of order is simply this: through you, Mr. Speaker, we would appreciate hearing from the minister as to whether or not he is even going to speak to us. This is quite extraordinary!

Mr. Deputy Speaker: The hon. member is out of order at this stage.

Mr. LeBlanc: Mr. Speaker, before the hon. members put on a show of waxing indignation, which they are both pretty good at doing, as a matter of courtesy—I looked around because I expected that there would be a speaker from the New Democratic Party. Obviously I think it is fair in normal, human, intelligent discussion, that I listen to the points of view and then I try to respond as best as I can. In fact, my preference, would be to speak towards the end of the debate; but I am told that hon. members want me to speak earlier. As a matter of courtesy to the House, I am allowing other hon. members to bring forward the points they wish to make.

Some hon. Members: Hear, hear!

Mr. Mark Rose (Mission-Port Moody): Mr. Speaker, I was also a little bit hesitant to stand up because I expected that the minister would address himself to the questions posed by the hon. member for Vancouver South (Mr. Fraser), that we would all gain a great deal of knowledge from the kind of replies that he might give and that that would give those of us who may not be as intimately associated with the fishing industry on the Atlantic coast the opportunity to examine some of his current thinking and perhaps make an appropriate response. We could make a more positive, intelligent and detailed response once we have heard from the minister. However, we have other members in our caucus who will be able to listen to the wisdom of the minister when his time comes. We will be very pleased to put up not just one speaker today but others. If we have time for one more, we will be very grateful to participate.

I think when we listen to the concerns of the Atlantic fishery—and I have relatives in Prince Edward Island in the Atlantic fishery who tell me that while the lobster or the inshore fishery—

An hon. Member: There are a lot of Roses in Newfoundland as well.

Mr. Rose: Yes, but they are not my relatives, as far as I know. But if they are Roses, they are bound to be very nice, enlightened, intelligent and honourable people! If the hon. member for St. John's East (Mr. McGrath) knows them, I am sure he can confirm that.

Mr. Deputy Speaker: The Chair would call the attention of the hon. member that the Chair is not familiar with the parties to whom he is referring.

Mr. Rose: I do not know whether that was an attempt at humour on the part of the Chair or what, but it did disturb somewhat the excellent line of reasoning and logic that I was attempting to develop at the time. Mr. Speaker, whether we are talking about the east coast, with which I am less familiar, or the west coast, with which I am more familiar, the state of the fishing industry in Canada is deplorable. Whether we are talking about marketing, about too many vessels too highly capitalized chasing too few fish, or whether we are concerned about an extremely important problem facing the fishing industry on the west coast—and I am sure it is the same on the east coast—the problem is one of energy prices. The energy component in cost of doing business, of farming or even catching fish has been a serious disadvantage, a serious inhibitor and a serious income depleter of west coast fishermen, and I am sure energy costs also injure the east coast fishermen. The west coast fisheries has been in a crisis for a number of years. We now learn from recent events that there is an imminent crisis for the east coast fisheries.

I was about to say before the Chair rose on its own point of order that while we have learned that the lobster or inshore fishermen have done fairly well in Prince Edward Island this year, other fisheries have been far less successful. We have also learned from news reports and from questions posed in the House that there are a great number of processing plants that are being threatened in the Atlantic region. No one can treat these matters lightly, especially when we have an economy facing a recession. There are 128,000 fewer jobs available in Canada in all industries, including processing, manufacturing and the resources industries, than there were just three months ago. We are told marketing is down and we have too many people in the business. On the west coast, the Pearse commission has recommended a royalty in which the fishermen will be asked to finance themselves into oblivion through a buy-back program. We have a similar situation now happening in the east coast fisheries. It is odd that in the days when perhaps one third of the world goes to bed hungry every night, when we are beseiged by groups such as OXFAM and Save the Children, church agencies and other relief agencies, apparently we have a glut of fish on the east coast.

We have a Prime Minister (Mr. Trudeau) who goes to Nairobi and makes a speech at the alternative energy conference saying how much Canada needed and wanted to become involved in assisting the Third World. I am suggesting to hon. members that fish aid is one way to assist the elimination of a good deal of the world's hunger, disease, oppression, and perhaps even the rising militarism of the Third World. We need an expansionary budget policy not only in the fishing industry but to stimulate our whole economy, so that we might then be in a better position to assist the Third World.

Canadians are suffering through high interest rates and the lack of a visionary and expansionary budget. Not only the fishing industry but all segments of our economy suffer, from housing to manufacturing. Someone once said that if your neighbour loses his job, then you are in a recession; but if you lose your own, you are in a depression. In the last month 40,000 job opportunities have disappeared in this country.

I would just like to suggest that there is no point in looking for the villain of the piece much beyond the federal government. The federal government is the one that is and has been traditionally, historically and constitutionally responsible for fishing. Fisheries have almost entirely been under the jurisdiction of the federal government. If salmon stocks are down and enhancement programs are failing, the department has to close or threaten to close the Fraser river to 450 gill netters in my riding. This is because stocks are down, escapements are too low, or there is overfishing in one segment, overcapitalization and increased efficiency of gear used by modern fishermen. If there exist so many fish boats that they have to start buying them back with fishermen's money, on whom do we lay the blame? Don't blame me, I'm NDP!

• (1230)

I look forward, not just with interest but with fascination, to what kind of remedies the Minister of Fisheries and Oceans (Mr. LeBlanc) is prepared to propose to solve the very serious problem affecting not only the area from which I come but the area he represents. I know he will be hobbled in his efforts by lack of funds. He will be like the minister of housing; he will express all kinds of sympathy and he will ask everyone to accept it, but what they need is his help.

Whether or not the minister of housing knew about the budget in advance seems to be open to some question or dispute. At least on the night of the budget he said that he was very pleased he would not have to resign because he got through a program which, at its biggest, might provide 15,000 homes. He cut off all hope of increased rental accommodations. We in the Vancouver area could have used the 15,000 homes in Vancouver. He cut off all hope in my riding that there would be more rental units built soon.

Mr. Baker (Nepean-Carleton): In my area as well.

Mr. Rose: The hon. member for Nepean-Carleton (Mr. Baker) indicates that he could use those homes in his area. At the same time, over the last ten years the government has pumped $125 million into Consolidated Computers, which has turned out to be a real dog. By the time we discover the ins and outs of that joint venture, we will be a good deal older than we are now; I understand Treasury Board is looking into it.

Seriously, if the fisheries minister does not have the power, the finances or suggestions for improvements, not only in the management of fisheries but in an effort to expand and assist processing at this time of crisis, perhaps it will be necessary to bring forward a subsidy program in order to stimulate world trade. This could be done, even if he had to do what was done for Third World countries through powdered milk shipments; there has been a subsidy program for dried milk for years. The government must do something. The need is urgent. It is of crisis proportion.

I did not rise immediately after the speech of the hon. member for Vancouver South because I wanted to hear what the minister would offer. I hoped it would be something more than sympathy or kind words. I anticipated that he would rise to tell us that he had convinced the Minister of Finance (Mr. MacEachen), who is also from the Atlantic provinces, that he will have to change some of the budget provisions and spring a little more money to assist because words will no longer solve complex problems. The government must do more than fine tune; it should reverse the direction of the mad lunacy of its economic policy which has brought the country virtually to its knees. I am referring not only to the fishing industry, but to the housing, agricultural, resource and marketing industries as well. In fact, today we heard talk about Uranium City.

In closing, may I repeat that we look forward with a great deal of anticipation, hope and even prayer that the Minister of Fisheries and Oceans from the province of New Brunswick will, in his usual civilized and very eloquent way, lead us out of this fish wilderness into a new day of hope not only for Atlantic fishermen but for west coast fishermen as well.

Some hon. Members: Hear, hear!

Mr. Ian Waddell (Vancouver-Kingsway): Mr. Speaker, I appreciate the chance to make a few brief remarks before the Minister of Fisheries and Oceans (Mr. LeBlanc) replies. I am not an expert in fisheries. As a matter of fact, I live on the west coast in the only riding on the lower mainland which is landlocked; it does not border on the ocean or on a major river. Trout Lake is in my riding. It is about the size of the House of Commons!

This does not mean that I cannot have some interest in fisheries. Like other Canadians who are indirectly affected by the plight of fishermen on the east and west coasts, I am concerned about the situation. Their struggles are our struggles; their difficulties are our difficulties. If any group is in need of help or assistance from the government and in need of some sympathy from the larger forces of public opinion outside the government, surely it is the fishermen of the country.

Recently as a member of the energy committee I met with some west coast fishermen of the UFAW in Vancouver. I personally heard their particular concerns. While they are fishing on the west coast, I think their concerns have relevancy to east coast fishermen with which this motion deals.

The motion refers to "the failure of the government to foresee or avert the crisis facing the Atlantic fishing industry." As the energy critic of the NDP, I wanted to raise this point before the minister replied. I am referring to the difficulties faced by fishermen because of energy costs. This was one of their concerns when I spoke with them in Vancouver. There was almost a desperate feeling at the meeting. I heard personally from trollers their concerns about great increases in energy prices and how they were being squeezed. They told me

that they could not really increase the price of fish, but they were being squeezed by costs, especially energy costs which were continually rising; eventually it will not be worth fishing. They told me about the difficulties. They mentioned the Pearse report and the difficulties concerning it.

I do not want to focus on that particular matter now, but I should like to focus on energy costs. The minister must know that as a result of the energy agreements between Alberta, Saskatchewan, British Columbia and the Government of Canada, the price of energy will increase greatly over the next four years. As a matter of fact, the cost of diesel fuel will double.

Mr. McGrath: Mr. Speaker, I rise on a point of order. I apologize for interrupting the hon. member, but I understood that he was rising to make a few brief comments in the form of a question before the minister replied. Consequently, I yielded the floor on that basis. I was wondering whether he intends to continue.

Mr. Waddell: Mr. Speaker, I appreciate the hon. member stopping me in full flight. I intend to make my remarks short. I just wanted to lay the groundwork. Costs are doubling. Fishermen have told me that they are already suffering. We must remember that diesel fuel costs will rise greatly next year. They told me that there was some sort of a subsidy in gasoline at the present time. But my question is simple. Is the minister prepared to approach the Minister of Finance (Mr. MacEachen) and ask him to revise his budget, and to ask the Minister of Energy, Mines and Resources (Mr. Lalonde) to redistribute some of the $20 billion the government will receive from those energy agreements over the next five years? Will they redistribute some of that money to the people in society who really need it, those who will be hit by higher costs?

I am not referring to drivers of automobiles; perhaps they can look after themselves. It will be tough but they will have to do it. Some of the groups would be fishermen, farmers, and seniors who have to pay extra oil costs. Can we not do something to reduce energy costs to fishermen, perhaps by changing the federal tax paid on the diesel fuel oil that they use.

● (1240)

I hope the minister will not say that that cannot be done. Under Bill C-48 which we have been debating, Dome Petroleum and other companies like it will be given a 93 cents subsidy on every dollar spent on drilling. That is a massive subsidy. I am very familiar with the petroleum incentives program and under that program we will provide something like $2,000 million in subsidies over the next five years. That is nearly $3 billion, Mr. Speaker. Can we not do a little bit for the fishermen and help them with the cost of their fuel?

This motion stands in the name of the hon. member for Vancouver South (Mr. Fraser) who has always shown great concern for the fishing industry and for the ordinary people of this country. His riding is neighbour to mine. I hope that in the course of his reply to that hon. member the minister will announce some concrete proposals to help in this situation. Perhaps he could specifically address his remarks to the question of energy costs for fishermen. That is a problem about which I think something should be done.

Hon. Roméo LeBlanc (Minister of Fisheries and Oceans): Mr. Speaker, in some ways I wish that the debate were a little less formalized and that we could proceed with questions and answers. In many ways, there are a lot of questions to be asked on these issues. The motion stands in the name of the hon. member for Vancouver South (Mr. Fraser). I must confess that when I read it I was suprised to see that it begins as follows:

> That this House condemns the failure of the government to foresee or avert the crisis facing the Atlantic fishing industry . . .

If there is one area in which I gave ample warning for years, it is in the area of the danger of returning to the boom or bust cycle, having experienced the bust cycle of 1973-74. In fact, I might tell the House that one of the people with whom I co-operated very positively at that time is the former minister of finance, the hon. member for St. John's West (Mr. Crosbie).

When I inherited the fishery in 1974 there were two main problems. One was the low catch rate because of overfishing by foreign fleets, particularly off the northeast coast of Newfoundland and Labrador. The other problem was the low throughput in the processing plants. We addressed those two problems and if anyone bothers to read the policy document published in 1975, they will see that the first priority was the establishment of Canadian jurisdiction over the offshore zone, which meant that we would control the amount of fishing, the restoration of stocks and the stock expansion that followed. So I find that there is not very much substance to the charge of the opposition that we did not foresee the possibility of a crisis developing.

The record will show, and I will quote it, that I have publicly warned about the danger of overexpansion in the past few years and about the need for processing companies to get their act together in the highly competitive marketing field. Unfortunately many of my words fell on deaf ears.

On May 19, 1977, speaking in St. John's, Newfoundland, I pointed out that the new 200-mile zone, which many were hailing as opening the door to a huge fishing bonanza, was "less a pot of gold than a garden needing work and care." My actual words at the time were:

> We are going to need great self-discipline to avoid repeating errors of the past: overcapacity, overlicensing, overfishing.

Later that year, speaking in Yarmouth, I expressed grave concerns about expanding the fleet, a move that was being pushed very hard, particularly by the provincial politicians and mainly in Newfoundland. I said on that occasion that "for advice on fleet expansion and the like, we look first to the state of the stocks and to the fishermen." I also said: "Even when we replace fishing units, we must make sure it is not disguised expansion." These were not isolated statements; I repeated them consistently, both in this House and elsewhere.

The federal government, with the responsibility for managing this country's ocean fisheries—and this was pointed out by the hon. member for Mission-Port Moody (Mr. Rose)—went to the limit of its mandate to attempt to keep the industry on an even keel. We said repeatedly that more discipline was needed in export marketing to compete with the single desk marketing operations of our Scandinavian competitors. But the processors told us bluntly: "Keep out of marketing, that's our business." So we kept out, and today that is where the most serious problems exist. Perhaps we should have insisted on getting involved in marketing at the government level. If we had, I am sure the screams would have been long and loud from our friends sitting on your immediate left, Mr. Speaker.

The record will also show that we have resisted the pressure for a massive expansion of the fishing fleet. We have deliberately held in check the growth of the offshore fleet. The hon. member for South Shore (Mr. Crouse) should listen to that—we resisted the massive expansion of the offshore fleet. That was done with great difficulty in the face of the $900 million fleet expansion proposals announced with much fanfare by the provinces of Newfoundland and Nova Scotia at the time. I am not partisan, but one of those governments shared my political faith.

As another measure to attempt to keep the fleet's catching capacity in line with the available resource, we introduced the foot-for-foot replacement policy. Again, this policy was unpopular in many quarters, but if we had not stuck by our guns the present situation would undoubtedly have become much worse.

Fleet overcapacity is certainly a factor in the current situation on the Atlantic coast, just as it is on the west coast. A recent study of vessels fishing within 200 miles of Nova Scotia showed that if the fleet capacity were brought in line with the available resource, an annual saving of around $25 million could result. In other words, we have a sector of the fleet that is inefficient to the tune of $25 million.

The other major factor in the current situation facing the Atlantic fisheries is, of course, the overexpansion of the processing plants. I have some interesting figures regarding the growth of processing plants in Newfoundland. The minister of fisheries for Nova Scotia became quite indignant after reading only what the agencies carried, and with some reason, I think, because that province has kept the lid on its processing capacity rather successfully. I wish Newfoundland and Quebec had done the same. In 1973 there were 61 registered plants in Newfoundland. At the latest count that total has mushroomed to 225, a 269 per cent increase in 1973 and a 53 per cent increase since 1977. The federal government cannot be blamed for this state of affairs as plant licensing is strictly a provincial jurisdiction. I am not trying to pass the buck when I say this; I am trying to establish some facts. In fact, during the period 1977-79 my department received 48 requests from the province of Newfoundland for us to comment on new licensing applications. We advised against the licensing of 34 of the 48 on the grounds that the resource could not maintain that number. In spite of our advice, 22 of the 34 were built anyway.

● (1250)

Although there is no question that this mad rush to build processing plants in the mid and late seventies has substantially contributed to what is currently ailing the Atlantic fisheries, I can understand and, to a certain extent, sympathize with those in the provinces who are responsible for the decisions. The apparently rosy prospects for the fishing industry following the introduction of the 200-mile limit were obviously a great temptation to open the floodgates in provinces which were grappling with high unemployment and lagging economies. I am sorry that they did what they did, but at the same time, as I said, I can understand it. However, at the moment my sympathy cannot help the situation.

It is important to look back and assess the situation in which the Atlantic fishing industry found itself in 1977 when the 200-mile zone was brought in. In many ways, the industry was riding the crest of the wave. The resource picture was reasonably good. Fuel was comparatively cheap. There was no need to steam hundreds of miles to get to the resource, and our number one market was just across the border. Canada enjoyed huge advantages which most countries, and our competitors, did not enjoy, such as close proximity to the resource, close proximity to the market, and a good fishing tradition. Additionally, the infrastructure was all there, ready to be put to work. We already had overcapacity, and if ever an industry had a chance of a lifetime, surely that was it.

However, what happened in the space of four short years? I previously mentioned that one of the moves which courted disaster was overinvestment. However, that is not the only shortcoming that I lay at the door of the industry. Despite our pleadings, processors did not move in the direction of orderly marketing but continued to engage in destructive price undercutting among themselves. In fact, a good part of this year's problem was triggered as a result of dumping by competing processors in the U.S. market.

Again, in the face of repeated warnings and cajoling by my department, industry did not make a determined attempt to consistently market top quality products. The day has gone when our export customers or our domestic customers, for that matter, will accept anything that is put on the counters. Big fast-food chains, such as McDonald's, want fish of first quality, day in and day out, not just five days out of six. If they cannot get it from us, they will go elsewhere, and I am afraid that they do.

One can also lay a measure of blame on the industry for a lack of initiative and imagination concerning the introduction of new product lines. I imagine that is one of the reasons consumption of fish in Canada has dropped off somewhat lately. Again, this does not apply to all companies. As is evident, I believe, in the riding of the hon. member for South Shore, some have made very creditable efforts. Consumers are always looking for something different in their food diet, but I am afraid they are not getting too much from most of our major companies. However, we can only advise on this matter, we cannot direct.

I might add that officials from my department and officials from other governments have been thoroughly looking at the marketplace and its potential in recent years. However, when we have offered advice, I am afraid that in many cases it has been thrown back in our faces.

The motion before the House seeks to condemn the government for not providing active support for processing plants facing closure. By that, one supposes that the government is being criticized for not throwing a large sum of taxpayers' money into bolstering companies which are in difficulty. If that were the quick and easy way to solve the troubles of the fishing industry, then I imagine that I would be very enthusiastic about it. However, simply pumping money will not do the trick. We have surely learned that since 1974. That is not the panacea many people are seeking. It might be, perhaps, a band-aid solution, but it will not be a permanent cure. What is needed to cure the ills of the fishing industry is a basic restructuring, a reordering of the way we operate, in order to reduce input costs in relation to market prices, thereby increasing profitability.

When we look at the current fish export statistics, the picture does not look all that grim. For the first nine months of 1981, Canada's total fish exports were worth more than $1,100 million compared to $898 million for the same period last year, which means an increase of 22 per cent. At that rate, it looks as though we will once again hold the top spot in world fish exporting. We will be the main fish exporting nation for 1981.

Here are some figures for the same nine-month period. Exports of fresh and frozen seafish, whole or dressed, are up 32 per cent in quantity and 24 per cent in value, while exports of fresh and frozen seafish, fillets and blocks, total 130,000 tonnes valued at $330 million, compared to 118,000 tonnes and $282 million last year. Exports of smoked, salted and cured fish increased by 21 per cent in quantity and 35 per cent in value. Canned fish exports are 12 per cent higher over this period last year.

If these export totals are coming up consistently higher than last year—and let it not be forgotten that exports are the life blood of the Canadian fishing industry—then one might be excused for asking why so many of our fish producers are in trouble. If the catch is up and the prices are up, then the problem obviously lies in weaknesses and inefficiencies in the processing and marketing structure. Certainly, high interest rates and a soft U.S. market are contributing factors to the current situation over which we have little or no control. However, a large proportion of the problem is one which is within our power to control. I might say that the problems began to emerge before high interest rates reached the level that we saw some eight or nine months ago.

How, then, will we tackle the problem? The motion before us asks that I listen sympathetically and respond positively to the four Atlantic ministers of fisheries when we meet on Monday of next week; but I hope their suggestions will be a little more constructive than the ideas which they were espousing a few years ago. However, I intend to do more than be a sympathetic listener. Contrary to what one may have been led to believe from the remarks of the hon. members opposite, for weeks officials of my department have been concentrating their efforts on the best ways to restore the Atlantic fishery to the state of health it should and could be enjoying. I will be placing a number of options before the provincial fisheries ministers from the Atlantic coast which could be undertaken to set us on the road to recovery. They are not stop gap measures but, rather, moves that should be of long-term benefit to the industry.

I would now like to mention some of those possible options. One option, obviously, would be for the government to become directly involved or take equity in an integrated fishing company in order to learn, and also possibly to forestall an undesirable level of concentration. Another suggestion would be the nationalization of the offshore fleet to prevent large, integrated companies from exercising excessive influence over the supply of raw material and to introduce, as I said when I related some earlier figures, an element of rationalization and efficiency in the catching of offshore fish.

There are those who say that government should be a participant but not a total shareholder. That option, which I call the Panarctic model, could be one of the midway points in any decision we could reach. Obviously, we must rationalize the capturing of fish and avoid the sort of mad race for the fish that we saw last winter.

With the permission of the House, I would like to call it one o'clock.

Mr. Deputy Speaker: It being one o'clock, I do now leave the chair until two o'clock later this day.

At one o'clock the House took recess.

[*Translation*]

AFTER RECESS

The House resumed at 2 p.m.

Mr. Deputy Speaker: Order, please. When the House rose at one o'clock this afternoon, the Minister of Fisheries and Oceans (Mr. LeBlanc) had the floor.

Mr. LeBlanc: Thank you, Mr. Speaker.

[*English*]

Mr. Speaker, when we rose for lunch I had indicated a number of possible actions which I would be discussing with my provincial counterparts and with different segments of the industry. I would hope members of this House, as we come to this House for legislation, if and when that legislation is required, will support our position.

I had talked about suggestions that had been made for perhaps direct government intervention in some processing enterprise. As well perhaps the fleet should be brought together under one management system or possibly a mix of government and industry participation in order more properly

to utilize the existing capacity, and possibly reduce it in some cases.

I had started to talk about the rationalization of the harvesting capacity. A suggestion which is being looked at very seriously is one of allocating the offshore quota to participating companies on a share basis which would allow them to make their plans for harvesting and resist the traditional race for the fish which, as we saw last winter, brought about some of our present difficulties. In some cases we may want to reduce the size of the fleet. This appears to apply to the west coast fisheries. This, of course, is a program which would be undertaken in full consultation with fishermen and fishing enterprises.

There has been some suggestion that the small and medium-size processors lack the capacity to play a role in the offshore and perhaps by getting together in some consortia arrangement this would be a good way of allowing them to participate, yet not have everyone buying capacity or aggravating the fleet problem.

As far as the distribution of fish among processors is concerned, we could go for organized and national harvesting. There are those who suggest auctions as a method of making fish available to those processors who do not want to buy large trawlers.

It has been suggested that we look at reducing the cost of fuel to increase our competitiveness. I must say that this appears on the surface to be rather attractive. However, I have to say that the implication for all Canadian industry is pretty serious if we do go to one industry. There is already an effort to help fishermen and farmers with the cost of fuel, and certainly in relation to our competitors we do enjoy advantageous fuel costs.

There is one area in which some movement is necessary, and this is the area of rechanneling investment in processing. I am a believer of modernizing existing capacity, not increasing it. In many cases plants can be made quite competitive and profitable by upgrading. We have already started working with DREE in this endeavour in quite a few areas. I hope we can negotiate a federal-provincial agreement to limit the capacity of the processing sector. I know that some provinces have voluntarily restrained the processing capacity movement, but I will be taking a much firmer line on this issue to my provincial counterparts. Some are advocating foreign investment, not so much control but equity in operation, which in some cases would perhaps give us access to markets which we have traditionally been unable to enter. This will be the subject of considerable discussion in the months to come.

• (1410)

I have to say a word about the improvement of quality and quality consistency. We have insisted on putting some money into this program and have been quite successful in some areas. I have written to my provincial counterparts under whose jurisdiction this matter rests and asked them to regulate the landing of fish so that at least fish would be landed in the best condition, preferably bled and gutted. I will be discussing this matter with the provincial ministers next Monday. To discuss this issue when so many other industries have set standards which they meet consistently shows that we still have some way to go. For example, I ask hon. members if we could even consider that non-pasteurized milk be put on the market without some considerable consumer resistance. I am not saying that fish which is sold in Canada is bad, but that we do not have a system which guarantees absolutely consistent high quality. Surely this must be a goal which we must seek.

Mr. Pepin: Canada approved.

Mr. LeBlanc: My colleague, the Minister of Transport (Mr. Pepin), says we should have "Canada approved." Certainly we should have "Canada approved" and we do, to some extent. However, the standard can be higher than that which we have thus far maintained.

Another question I would like to deal with is market discipline and market orderliness. I have no doubt that jawboning is not going to be sufficient in this area. Some sectors of the industry have already indicated that they believe that this is not only inevitable but desirable. Only through some legal framework which forces discipline will companies not be tempted to undercut each other in the marketplace.

I might say that the hon. member for Vancouver South has tried to make me sound as if I were against an increased effort in marketing. Obviously he knows that this is not what I was suggesting. I was suggesting that we should do the same as our best competitors—particularly the Scandinavians—to get a number of people marketing as a group, as Canadians. In some cases, of course, there may be up to six or eight partners in one marketing organization.

But the philosophy that we must catch every fish in the sea is also one that must be carefully considered. This year I advanced the idea to the industry that we should perhaps catch according to the market potential and market predictions. These quotas could always be adjusted during the season if the estimates are low. Some countries have been doing this very successfully.

Within the framework of these policies, we must make room for the protection of the small processor and the small operator. I have no doubt that whatever co-ordinated marketing effort comes about, there has to be one location where the small operators can find a haven without having to be forced into working with a major player who would, of course, overshadow him.

An hon. member has mentioned the use of fish as food aid. We are using some now and will be using more in the future and my cabinet colleagues have responded favourably to this policy. One of the difficulties is that some countries are not equipped with the holding facilities necessary to distribute and handle certain species of fish, especially program products. We are talking increasingly with CIDA about producing and preparing for the food aid program, particularly using saltfish which does not require the same amount of conservation expense.

Over-the-side sales for species of fish in which the Canadian industry has very little interest must become organized and not left to the whims of people who may have a market because they have a relative in some part of the world. I believe if the industry stopped having a total knee-jerk reaction to this question but came in with the government in a joint operation where we could take advantage of certain markets where vessels are used to freeze fish bought directly from our fishermen, we might be able to gain some considerable advantage. I am amazed at those who advocate that Canadian fishermen should be total prisoners of the local fish merchant and that somehow it is immoral if we let those who want to come in from offshore buy about 2 per cent of the fish that we have on the east coast. I can tell the House that the fishermen do not consider it immoral. In fact, in some cases it is the only weapon they have to negotiate.

Of course, there are those who say that you can bust your way into the markets of the world, that you do not have to have agreement with the Common Market or an arrangement with foreign nations because somehow Providence has ordained that the world must buy our fish. I am afraid that is a very naive outlook. The idea that somehow it is not right for foreigners to buy fish from Canadian fishermen, possibly using their vessels to freeze fish in some cases—again in a very well controlled situation—that somehow we are betraying the plant workers, to me is akin to saying that we must have the largest warehouses in the world filled to capacity regardless of whether we have the markets.

Mr. Deputy Speaker: Order, please. I regret to interrupt the hon. minister but the time allotted to him has expired. However, he may continue if there is unanimous agreement. Is there unanimous consent?

Some hon. Members: Agreed.

Mr. LeBlanc: I thank hon. members. I will finish by briefly saying that the options I have listed are being examined and discussed and we have had good working sessions with the Fisheries Council of Canada and with representatives of the industry. The problem is not new but was recognized. In some cases it has taken a more dramatic form and we are now trying to address that situation. In fact, it is only in the last week to ten days that we have had firm proposals.

As far as the federal jurisdiction is concerned, where we are responsible for the setting of quotas and their allocation through the licensing system, and for the establishment of the fleet capacity and its impact on the market, I think we have fulfilled our role well. In the two areas which escape our jurisdiction, namely the processing capacity and quality control—however, in quality control we share a joint role—unfortunately we have not had full co-operation.

That being said, the policy of trying to establish a vigorous fisheries industry which has professional fishermen, that is, people who do not see it as employment as a last resort, but people who invest their livelihood and skills into fulfilling what is a very rewarding profession when it is managed properly. That remains the goal of this government.

Hon. James A. McGrath (St. John's East): Mr. Speaker, in the limited time that I have available to me this afternoon, I have somehow to resist the temptation to respond to all of the areas covered by the minister in his speech. There is one area, perhaps, which I will not go into right now but requires some passing comment. It is the last comment the minister made with respect to the over-the-side sales. He said that these must become organized and that companies must get involved.

I merely want to remind the minister that during our administration we put together a rational over-the-side sales policy which included all the players and had the support of all the players. Unfortunately, it was scrapped by the minister when he resumed his responsibility of Minister of Fisheries and Oceans. I say that with sadness because if he had continued he would not have been in the difficulties in which he found himself last summer. But perhaps he likes to be in difficulty.

● (1420)

We meet here today in this debate in the midst of a crisis situation which is, in my opinion, unprecedented and unparalleled. A recent publication from the Canadian Institute for Economic Policy by Professor Donald J. Patton of Dalhousie University which arrived on my desk yesterday said this:

> The Atlantic fishery is currently facing serious problems, with almost all major companies suffering substantial losses on their fishing operations. Poor markets, high interest rates and unprofitable fishing have led to widespread production cuts. Hundreds of employees have been laid off through plant shutdowns in a region of the country that already has high unemployment. But while there appears to be no immediate relief in sight, these problems should not obscure the long-term value and importance of the fishery as an industry—

Then he went on to say:

> It is becoming increasingly clear that unless difficult policy choices and actions are taken now, Canadians will not fully benefit from the future development of their fishing industry.

When the minister spoke today we expected that he would take the House and the country into his confidence and let us hear about some of these difficult choices. We all agree they are difficult choices. Unfortunately, all we heard was the minister's usual song: blame others, blame the provinces, blame the processors, absolve yourself.

The minister reminds me of Alice in Wonderland. He is there, but he does not quite know what is going on around him. As the Mad Hatter said, it gets curiouser and curiouser.

A few days ago in this House my colleague, the hon. member for St. John's West (Mr. Crosbie), put a question to the minister with respect to the plight of one of the companies referred to by Professor Patton. He talked about the fact that this company was in serious difficulty and that unless it heard from the minister within the next few days with regard to a proposal it had before the government, it would be forced to close down. That shutdown would result in the lay-off of 2,500 people directly employed by that company and 1,600 fishermen who depend on that company.

I am sorry the hon. member for Burin-St. George's (Mr. Simmons) is not in his seat. If that company goes under, that spells doom to nine towns in Newfoundland, most of which are in the riding of Burin-St. George's. It will be a death sentence to the towns of Bonavista, Grand Bank, Fortune, Burgeo and Gaultois, and I could go on. Nine towns in the province of Newfoundland with a total population in excess of 20,000 depend exclusively on this company for employment. This company has a payroll in excess of $40 million.

I do not believe the minister is taking this seriously. If that were the only company in trouble, I suppose the proposal could be seen in isolation; but we cannot look at it in isolation because the minister and all of us know there are other companies in trouble. Other companies have proposals before the government to bail them out. We are talking about an industry that is totally Canadian owned, an industry which employs in its fish plants over 8,000 people, an industry which owns a fleet of 150 trawlers employing over 3,000 trawlermen, and an industry which produces over $500 million in goods and services in the Atlantic provinces.

We are talking about the keystone of the very fragile and weak Atlantic provinces economy. That places a particular responsibility on the Minister of Fisheries and Oceans (Mr. LeBlanc). We are entitled to expect some direction from him. We are entitled to expect some indication of assistance from him. He talks about band-aid treatment. He says he will not give in to band-aid treatment, and that is how he describes an infusion of capital. He talks about long-term solutions. Unless he applies band-aid treatment now, he can forget long-term solutions because many of these companies will be forced to close their doors, and in the process we will lose what is left of the most important and, indeed, the only important market we have, the United States market.

Where does the minister sit? He is a member of the inner cabinet. He was a party to the decision to bail out Chrysler, a multinational employing Canadians. I make no comment on that. He was a party to the decision to bail out Imperial Oil, another multinational, again employing Canadians. I make no comment on that. He was there when the government bailed out Massey-Ferguson. He was there when the government wrote off over $100 million for some obscure computer company of which we had never heard.

Where is he when the Atlantic provinces fishing industry is bleeding to death and is on its knees? He does not take the industry seriously. He thinks it is bluffing. He referred to that in his speech today. Every time the industry gets into trouble, it comes with cap in hand to the federal government. That may have been true in the past. That has happened before. It has happened several times before. It has not happened since the declaration of the 200-mile economic zone. It has happened now because of circumstances beyond the control of the industry, such as high interest rates, a softening of United States markets, increased competition as a consequence of the strengthening of the U.S. dollar, the weakening of European currencies and a change in consumer habits in the United States market.

We all saw it coming. The minister says he saw it coming. The minister says he warned the industry about a boom-and-bust psychology. He saw this coming and did nothing. What happened last summer when the Nickerson National Sea organization announced it was closing down three major plants, one in Nova Scotia, one in New Brunswick and one in Newfoundland, because it could no longer afford to carry inventories due to interest rates? That was in August. The minister knew, as we all did at that time, that that was merely the beginning and that the closing down of these Nickerson National Sea plants would set off a chain reaction, and it did. At one point in time, in my province alone, over 15 fish plants were down. It happened to coincide with a failure in the inshore fishery in many areas. The minister probably will come back with statistics to refute that, but let him tell that to the inshore fishermen who have to get by with little or nothing this year. It coincided with the failure of the inshore fishery, but the fact is that at that time the minister had a responsibility to move in and he did not. He did nothing.

I and others asked him to sit down with the industry because in that industry there are people who are highly professional and highly qualified. There are highly professional and skilled people within the various provincial fisheries departments. I know from my own experience with the federal Department of Fisheries and Oceans that there are highly skilled professionals who are probably the best fish managers in the world. I get the impression that the minister sat there in isolation and did not take their advice. Perhaps he even refused to see them. Certainly he refused to sit down with the minister of fisheries for Newfoundland who repeatedly requested meetings with him. I think in his entire tenure since 1980 he has had only one or two meetings with the minister of fisheries for Newfoundland. Indeed, during that period he has had only one meeting with the Atlantic provinces ministers. Granted, there is a meeting taking place on Monday or Tuesday in Ottawa with the Atlantic provinces ministers and the minister responsible from Quebec. I maintain that meeting is six months too late; it should have taken place late last summer or early last fall. We have lost valuable time.

• (1430)

Basically we are facing the problem which speaks to the need for market diversification. The minister talked about quality control. Certainly we need to improve the quality of our fish. We need to put in place incentives to produce better quality fish. However, the bottom line is that unless we diversify and reduce our dependence on the U.S. market, there will be more trouble down the road. All the band-aids or long-term solutions in the world will not address the problem.

This is not the time to talk about a reduction in production capacity or a reduction in fleet size. I was hoping the minister would talk about the problems of fleet renewal. Most of these companies face that problem. Many trawlers are out of date, antiquated and have to be renewed.

We talk about overproduction capacity. The minister cannot, like Pontius Pilate, reach for the silver bowl and

absolve himself in that area. No, he cannot absolve himself from responsibility. The minister has the power, which has been described as a draconian power, under the Fisheries Act totally to manage the industry. He has no power to manage or license plants on shore. However, the fact is that if we had a rational system of fisheries management where you do not have a boom-and-bust catching situation, the plants would not have to expand in order to accommodate that. This is part of the problem, what we used to call the glut, except it is a man-made glut.

Why does the minister not sit down when putting together a fisheries plan and rationally discuss this with the fish processors, the fisheries unions and the provinces? The minister knows where I stand on jurisdiction. He knows full well that fisheries management can no longer be the sole prerogative and responsibility of the federal government, constitutional rights notwithstanding.

The minister has to share those managerial responsibilities with the provinces, the producers, the representatives of the fishermen, whether it be the Newfoundland Fish Food and Allied Workers or the fisheries associations of the maritime provinces. He has to take them into his confidence if we are going to have a situation that is orderly fisheries management in the Atlantic provinces.

The minister has finally succeeded in antagonizing everyone. He has everyone against him including the fishermen's unions, the fishermen's associations, the fish processors and the provincial governments. Why? Because the minister has chosen in the midst of the worst crisis to face the industry to sit in his ivory tower in Ottawa and pretend that everything is fine. It is business as usual—don't get excited, don't make any waves.

I expected the minister to come to my province when these plants closed down last summer, and most are still down, and meet with the government, the Newfoundland fishermen's union and the processors. He had a chance encounter with them when he was in Marystown to preside over the launching and christening of a new fisheries patrol vessel which I had directed to be built in Marystown. He had a chance encounter, and a very unsatisfactory one at that. He does not have to take my word for this; he need only talk to the members of the Newfoundland fishermen's union, the processors and the people along the south coast of Newfoundland to know how totally unsatisfactory that encounter was and how totally unsatisfied they were with the responses they received from the minister.

All the minister does is muse and philosophize when the situation requires action, action which this minister has the power to carry out. He talks about basic restructuring and exports. Why has the minister not been able to get guarantees from the European Economic Community? It is not enough that we should allocate quotas within our zone. I agree with him that may be necessary in order to break through the tariff barrier which now discriminates against Canadian fish. However, if that is necessary, it should only be done with guarantees. At this point in time we do not have the guarantees.

Why can the minister not get the support of the Government of Canada? If the British government is providing opposition and giving him problems, why does not the Prime Minister (Mr. Trudeau) talk to Margaret Thatcher? Their industry in terms of their total economy is not nearly as important as ours, especially in the case of the Atlantic provinces. I am sure the British government would be reasonable if they had a responsible approach from the Government of Canada.

We know full well that the German fleet is tied up with no place to fish. That should be our ace in the hole, but we have not been able to use it effectively. In my opinion, we have not been able to deal effectively with the opposition we are receiving in Brussels from the British government. That is the responsibility of the minister and his colleagues in cabinet, and nobody else.

Who is responsible for the high interest rate situation today? The Government of Canada. Who is responsible for the failure to diversify our marketing opportunities? The Government of Canada. Who is responsible for failing to meet with the industry and the provincial governments and look for and accept their advice? The government that has the major responsibility under the Fisheries Act and under the Constitution of Canada, the Government of Canada.

It is not enough to go on attacking provincial colleagues and blaming the provinces and processors, blaming everyone but yourself. The fact is it is this minister who got us into this mess. All is not hopeless, all is not lost; he still has the power to get us out of it. But I am not sure he fully appreciates or understands the seriousness of the situation.

The Lake Group may be forced to close its operation if it does not hear within the next few hours a positive response from the Government of Canada. Not only the Lake Group, but many major processing companies in the Atlantic provinces are facing the same problems, such as cash flow problems, marketing problems and bank problems. They are heavily into the banks. How long are the banks expected to carry on? How long will this minister continue to allow the banks in Montreal and Toronto to call the shots in the Atlantic provinces? We have an intolerable situation which I do not believe this minister fully appreciates.

During my brief tenure as minister of fisheries, I set up on the coast of British Columbia an advisory council that I could deal directly with and receive policy advice from. Even the minister admits that has worked well. That was the first of three advisory councils we were to establish, one in British Columbia, one in the maritime provinces and one in Newfoundland. Just like the over-the-side sales policy we put together, the minister threw that out the door as well. If we had that mechanism in place today and a minister who was prepared to listen, I suspect we would not be in the mess we are at the present time. This minister does not fully appreciate the gravity of the situation that we face in Atlantic Canada today.

Mr. Deputy Speaker: Order, please. I regret to interrupt the hon. member, but the time allotted to him has expired. He may continue with the unanimous consent of the House.

Some hon. Members: Agreed.

Mr. Deputy Speaker: There appears to be unanimous consent.

Mr. McGrath: I thank the House. I shall not take up the time of other hon. members who want to participate in this debate.

• (1440)

The fact is that the minister does not appreciate the gravity of the situation that the Atlantic provinces are faced with today, an area that is plagued with chronic, high unemployment. If this industry is not rescued at the present time—and only the federal government can do it, the same as they rescued the Chrysler Corporation, Massey-Ferguson and Imperial Oil—then it will take years and years for us to recover. I warn the minister that he is playing Russian roulette by sitting in the House and pretending that the situation is not as bad as it appears to be. He is playing with dynamite when he pretends that the situation is not as serious as we make it out to be.

It is about time the minister stopped chastising the bad boys, because there are no good boys or bad boys. There are serious problems which the industry is prepared to face up to. They have told the minister that they are prepared to sit down and talk about rationalizing marketing, to eliminate and reduce the cut-throat market situation that we have paid for and that has cost us dearly. They are prepared to sit down and talk about it and rationalize it. They are prepared to get their act together. They are prepared to assist the minister in terms of quality control and product diversification. They are prepared to do all of these things. But they cannot do them, Mr. Speaker, if they have a minister they cannot communicate with.

[*Translation*]

Mr. André Maltais (Manicouagan): Mr. Speaker, a debate like the one we are having this afternoon clearly confirms the interest of the members of this House in an industry that is extremely important to Canada, namely the fisheries industry, and I believe that both the government members and the opposition parties realize that the basic purpose of today's debate is to find positive solutions to providing for a genuine renewal of our fisheries industry.

I listened earlier to the hon. member for St. John's East (Mr. McGrath), Newfoundland, and I could not help smiling when he referred to various measures that should be taken, because I remember that when he was Minister of Fisheries, he gave permission for trawlers of 100 feet and over to fish in the Gulf of the St. Lawrence. In my constituency, the gulf means 400 miles of coast line, from Sept-Iles to Blanc-Sablon, including Anticosti Island. Obviously that decision was severely criticized by the inshore fishermen. What we are trying to do today is to define ways of helping fishermen. There is a danger, when discussing the fisheries industry, of always thinking in terms of profits for the large processors, and forgetting the fishermen. In fact, throughout his speech, with only a few exceptions, the hon. member to whom I was listening spoke in generalities and blamed the department and the minister for the present situation in the fisheries industry.

I think it would be somewhat overconfident to say merely that the fisheries industry is doing as well as any other industry. Everyone knows what the world economic situation is like, and obviously the fisheries industry is just as sensitive to national and world development problems as other industries are. Now, what do we have to do? Trying to evaluate the situation is one thing, but finding solutions is an entirely different kettle of fish!

This morning and this afternoon, the minister talked about programs for restructuring the fisheries industry. I think there is an interesting aspect to this subject and it would perhaps be useful to invite the opposition parties, the fishermen and the co-operatives and processors to think about what is involved in restructuring the fisheries industry. In Quebec there is an additional problem because responsibility areas tend to overlap. I purposely included fishermen, co-operatives and processors, and I feel we should also involve the provinces in defining responsibility areas, because this is truly a field where all concerned should not only be consulted but should also have a say in the matter, if we are to draft legislation and regulations that will help fishermen to truly develop the industry within this sector. Of course, I could speak about fisheries throughout Canada, but I should like to see the Department of Fisheries focus its concern a little more on my part of Quebec's middle and lower north shore, because it is a region that is anxious to see a renewal of the fisheries industry.

The minister talked about thoroughly reorganizing the department and the fisheries industry, and although we do not necessarily want to be the ones to initiate such changes, neither do we want to be a step behind. We want to be treated as equal partners and we want to get our point of view across. In this respect, I must congratulate the minister who, during his eighteen months in office, has helped us tremendously to modernize our fishing facilities. When discussing fisheries or any other subject, it is very easy to talk in generalities, because in the final instance, everyone is for motherhood and against sin. Helping people is fine, but hitting on the best way to do this is another story, and I must admit that in this particular area the present minister has done excellent work in our region. I know that the member for St. John's East, Newfoundland, is familiar with my area—his sector is not very far from mine—because once you get to Blanc-Sablon, you are just opposite Sainte-Barbe, and I think the people in Old Fort Bay, Middle Bay and Saint-Paul often deal with Newfoundland.

In this easternmost part of Quebec, the problem is the lack of infrastructures for fisheries. There is also the marketing aspect, how to sell the fish, but if we do not have the infrastructure, our fishermen today will never be able to bring new life to the fisheries industry or be able to interest the younger generation in the industry. I see my colleague from Bonaventure-Îles-de-la-Madeleine (Mr. Bujold) who also obtained funds through the Department of Fisheries and Oceans in order to provide for appropriate facilities for the fisheries industry in his area, and that, too, is a tremendous boost for the fisheries industry, not only in eastern Quebec but throughout Canada.

Another positive contribution is the fact that DREE is working together with the Department of Fisheries and Oceans to provide comprehensive assistance projects. And I say this with great feeling today, because the north shore fisheries have always been neglected, and we want to put an end to this, because we have people who are highly motivated to develop this sector, and we shall no longer let ourselves be victimized—I agree with the hon. member for St. John's East, Newfoundland—by the big processors who are rushing to apply for large grants in order to build even bigger ships to provide work for a few highly modernized, very well equipped, even too well equipped fishermen, while our inshore fishermen are left to fend for themselves. Our inshore fishermen must come first on our list of priorities.

I would now like to talk about the role of research in bringing about a renewal of the fisheries industry. No one has mentioned research yet. Nevertheless, it should be one of the department's principal tools for considering solutions for the future. I think Canada is particularly fortunate in having oceans to the north, south and west: the Arctic, the Pacific and the Atlantic. We have a resource that belongs to all Canadians, and we still tend to be very conventional in how we make use of that resource. Our universities should be given a chance to develop an interest in modern approaches to the fisheries industry and to look for ways of making us far more competitive, not only on national but also on international markets.

● (1450)

Now that the Gulf region is gaining its own identity, I would also invite the Minister of Fisheries and Oceans (Mr. LeBlanc) to try and set aside a specific location in the Gulf area for research in Quebec. As you know, the people of Quebec have traditionally been fishermen and the Gaspe Peninsula depends on the sea and on fishing, as do the Magdalen Islands and the north shore. We would like to be able to increase our presence in the Canadian fishing industry. We shall be able to do so if the government gives us the means to be very active in the field of research. I wanted to say this because this sector has perhaps been left to cope for itself in the past. We have been content with unsophisticated fishing methods, but to be able to compete with Scandinavian and northern countries, we need extremely sophisticated techniques in the fishing industry.

Another basic element, Mr. Speaker, is information. In my own region, we know that information is distributed, but its quality and regularity could be increased. Our fishermen, whether in Blanc-Sablon, La Tabatière, Old Fort Bay, Middle Bay, Saint-Paul, Harrington Harbour, Chèverie, Natashquan or Rivière-au-Tonnerre, do not have enough information, and in this regard, if I may make another positive suggestion to the Minister, I would ask him to co-operate with the Department of Employment and Immigration to hold winter courses which are better adapted to the needs of our fishermen, as they have perhaps more time in that period of the year to receive information from his department. It is often said that information is power, the newspapers being called the fourth estate. I believe that it would be a good thing for the Department of Fisheries and Oceans to provide this power for our own fishermen. I say this because it is a comment which I heard during our travels along the middle and lower shore. The fishermen want to fish regularly, they are not lazy as is often suggested in the industry, but they would like to be in constant communication with the department because when comes the time to innovate and to create, they would truly be well informed and would achieve a major sense of self-fulfillment and commitment, as well as greater co-operation with the department.

Another element which concerns my area and which will certainly interest the hon. members opposite, especially those from Newfoundland, is the question of quotas. In this regard, I believe that the department does not deserve to be congratulated because, while we are very proud of our minister and even of the Department of Fisheries and Oceans officials, a major mistake was made this year when setting the quotas, and as a result a ban on fishing has to be imposed at the beginning of October. A week later, the department reconsidered its decision and said that there was no problem and that fishing could continue. In our region, this brought about the early closing of some fish processing plants. I wonder, Mr. Minister, if it might not be advisable to have separate quotas for the province of Newfoundland and for the province of Quebec, at least for that zone of the Gulf of St. Lawrence, so as to make sure that there is no conflict between the quotas of either province. Of course, any man fishing with a trawler of 100 feet or more and working with the latest in the way of fishing gear is way ahead of a competitor using traditional fishing methods. I draw that to the attention of the minister and, if possible, I would like to hear his ideas on that because, with respect to quotas, the fishermen are not on the same footing, and I think it is important to do justice to our inshore fishermen.

Another point I would like to raise has to do with the quality and processing of the fish and the new plan. I think that the department wants to innovate in fisheries, not only in Quebec

but in all fishing zones in Canada generally. In Matane this week officials of the Department of Fisheries and Oceans held an important meeting with groups of fishermen, and the minister gave them a few reports to look over, and those fishermen and those associations made a few remarks to the minister. I hope that the time for meetings is not over or drawing to a close, but that such meetings will only be suspended for a while and that the minister will take concrete measures to implement his policies.

I know that DREE is willing to invest fairly large sums of money in the Department of Fisheries and Oceans and that people are ready for action. We must not try to do everything at once of course, but we must take one step forward because if we do not stop consulting people right and left, both at the federal and the provincial levels, we risk discouraging the fishermen. The people want to feel that the department and the minister are willing and ready to act. They have to get this feeling otherwise the fishermen will no longer show their good faith and willingness because they will be inclined to say: it is always the same thing, we always get the same statements and we are no longer interested in co-operating with the department.

So I would urge the minister, after the Matane meeting, to get things moving, to free some funds so that in 12 to 18 months from now, we may see the results of his political will. One last point, because I think my time is almost up, concerning the responsibilities of the federal fisheries department and the provincial level. It is crucial, Mr. Speaker, that the spheres of authority of all parties involved be clearly defined and identified. We are quite happy that the constitutional debate is over, but it is most important, now that there will be negotiations on the distribution of power that the definition and the limitations of all governments be clearly identified, otherwise it becomes a buck-passing game in which each side says : this is a provincial responsibility or this is a federal responsibility and the buck goes back and forth. We have to put an end to this administrative buck-passing game and define clearly the spheres of authority of each party and of each institution involved.

I have here a book written by an author from Sept-Îles on the North Shore, Louis-Armand Santerre, entitled "De Sept-Îles à Blanc Sablon, 750 kilomètres par voie d'eau." The book explains or tells the history of the Quebec lower and mid North Shore, which covers half of my riding of Manicouagan.

I would urge the speakers who will follow me to make down-to-earth statements because some of the people I am talking about, do not even have a television set and come from a long line of fishermen. That is most unfortunate because often, when listening to hon. members and even to ministers during our proceedings in this House, we get a feeling that things are being said generally, vaguely, so that ultimately no one in particular is concerned and no specific guidance is given to those who will have to decide on the measures to be taken to find solutions to present problems in the fishing industry. I am being explicit because our people have to know, to hear exactly what solutions are being put forward by the opposition. I myself, as a member of the party in power, am trying to be critical of the department itself while avoiding sterile speeches condemning this or that individual. What is important is finding solutions. I insist that hon. members who speak after me must concentrate on solutions.

All hon. members must denounce the problems facing us, that the fishing industry is now up against. But the people of whom I spoke a while ago would like to hear from those hon. members who are directly concerned with fisheries what proposals and solutions are possible. That is very important, because in our meetings with our constituents these bread and butter issues are always being raised. Here, we hear very seldom about them. We hear a lot about hon. members' pious wishes and good intentions, as well as their rather vague ideas, but nobody ever really tries to define the problem. What I should like the minister to tell me is how we are going to proceed to modernize our fishing gears? How, with the assistance of our universities, are we going to develop new techniques to catch and condition fish? What new techniques could we develop? How could we secure the co-operation of universities, co-ops, industries, fishermen and the various provincial governments? How could we ease the regulations to make it easier for fishermen to get out there and catch fish? How could we guarantee fishermen a minimum income, when it is not possible to extend the scope of the Canadian Saltfish Corporation Act over a wider territory than the one already identified?

Could we not set up for the fishing industry something similar to the Canadian Wheat Pool as we did for wheat, to guarantee our fishermen income stability, because the problem of this industry stems from the fact that there is no income security there, a factor which discourages our youth from joining the industry, while western farmers enjoy income security thanks to a relevant legislation. Fishermen in my area do not have income security and certainly would like to get it. The whole issue of unemployment insurance benefits for seasonal fishermen is being raised again: they will try to find ways to find additional income. That is why I wanted to call hon. members' attention to this problem. I am aware that my time has run out, but I merely wish that by next year, we might have taken a step forward in the right direction. I am most grateful to hon. members for listening to me and to you, Mr. Speaker, for allowing me to express my views.

● (1500)

[*English*]

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I welcome the opportunity to speak in this special debate which I hope will highlight the financial crisis which presently faces the east coast fishing industry. I submit to you, sir, that it is a great day in the life of anyone when he can go fishing. This

activity, whether it be for pleasure, protein or profit, is being seriously restricted at the present time in Atlantic Canada. This is a fact which the hon. member for Nepean-Carleton (Mr. Baker) learned firsthand in November when he had the pleasure of visiting my riding and I had the honour of hosting the visit.

Within the past week, those of us in the official opposition who are interested in the problems facing the fishing industry met with the leaders of this industry from the Pacific region, from New Brunswick, from Prince Edward Island, from Nova Scotia and Quebec as well as Newfoundland. All of these people told the same story, that unless a miracle occurs between now and the end of June, 1982, the entire industry on both coasts faces complete and total financial collapse.

When we consider the number of people, towns, cities, villages and auxiliary industries that are dependent on the fishing industry, this is truly a startling revelation. Many of us who have been associated with the industry for a long time knew from firsthand knowledge that all was not well in certain sectors of it, but few of us realized the depth of despair and the pessimistic outlook which was portrayed by industry leaders.

Despite a remarkable resource development and recovery since the 200-mile limit was declared in 1977 and a favourable outlook for further stock growth of codfish in the Gulf and east of Newfoundland, the entire east coast fishing industry is operating today in a fog of uncertainty. National Sea Products, one of Canada's largest fishing companies, has seen its financial situation deteriorate steadily. On November 4, it put out a press release stating that the company's net loss for the nine months ending October 3, 1981, was in excess of $3 million. Over the 21-month period ending October 31 the company's net working capital declined from $20.8 million to half a million dollars, yet the minister seems to think that this is not a serious situation.

H.B. Nickerson and Sons, another Canadian fishing company, has had similar cash flow problems. The Lake Group mentioned by the hon. member for St. John's East (Mr. McGrath) is also facing serious financial problems. This large Newfoundland company closed its trawler operations at Grand Bank, Fortune and Gaultois and I believe that only the Fortune plant has been reopened.

In all cases, spokesmen for these companies gave similar reasons for their financial problems. They cited four principal factors for the rapid decline in the industry, namely, growing market weakness for their products, high interest rates, operating cost increases and inappropriate government policies.

It would seem that the soft markets for Canadian fish have been due to weak demand in the United States in recent months for several key products, plus what I can only call the strained attitude which seems to exist between Canada and the United States, brought about by the hamhanded manner in which this government implemented its Foreign Investment Review Act as well as its national energy policy. We see this attitude reflected in the stalemate which exists in the negotiations on the fishery and boundary treaties covering the controversial Georges Bank area.

I fear that Canadian fishermen will long remember the lack of this government's ability to reach an amicable political solution on the Georges Bank issue which, I submit, could have been obtained if a conciliatory attitude had been taken by Canada when dealing with our best friends and our largest trading partner.

Mr. LeBlanc: What do you advocate—that we give in?

Mr. Crouse: The minister interrupts and asks what I am advocating. I will repeat it so that even he will understand. I have great admiration for the minister and I know he has worked hard but he could work a little harder on this one.

I said that I submit the situation could have been different if there had been a more conciliatory attitude taken by Canada when dealing with our best friend and our biggest trading partner. That is what I advocate.

The lines of communication are down. They are not clear between our two countries. There is too much static. No one will ever convince me that further consultation rather than confrontation would not have brought about a more desirable settlement of what I call a very thorny issue between our two countries. Our fish markets are soft as well because of a relative drop in several European currencies which has eroded Canada's price advantage. There have also been very weak prices and poor demand for Canadian herring in Europe. This is due to the resumption of the North Sea herring fishery.

Another item affecting our sales has been tariff and non-tariff barriers in Spain, Japan, the European Economic Community and in Portugal. These have been raised in an attempt to force Canadians to agree to granting further fish allocations inside our 200-mile limit. This, of course, should not be happening.

When speaking in Marystown on October 3, the Minister of Fisheries and Oceans (Mr. LeBlanc) said that there had to be realism when it comes to negotiating with other countries for advantageous entry into their markets or for the removal of barriers to those markets. He also said that if it costs us a few thousand tons of fish from our waters to sell many more thousands of tons of Canadian fish products, then we must assess the deal and not perpetuate some myth that we must catch every fish in our zone. Such a concept is fool's gold, he said, and that what is required to achieve entry into markets must be done.

This is high sounding rhetoric, and the minister is obviously following the course he expounded. He is giving away fishing quotas to foreign fleets—within our 200-mile zone. When he does not give them what they think they should have, they come and take what they feel they are entitled to. We learned this fact only on Thursday of last week when I pointed out that 25 Spanish draggers and two Mexican trawlers were fishing on Flemish Cap in the northwest Atlantic fisheries zone. They have reportedly been overfishing in that one small area near the Grand Banks where cod stocks are endangered, thereby making a mockery out of this country's quotas on fish.

• (1510)

I asked the minister in committee if he had any idea as to how many tons of fish the Spanish and the Mexicans are catching, what effect this overfishing would have on Nova Scotia and Newfoundland cod stocks, and what action the government was taking to encourage these nations to discontinue their destructive practices. The minister's officials replied that they did not know how much fish was being taken because neither Spain nor Mexico are members of NAFO. Therefore, they are not obligated in any way to abide by NAFO rules or to report catches.

We were told that the impact on our cod stocks is indirect. The government is making representations, through NAFO, against the countries following this practice. I think this points out a weakness in our Department of External Affairs. I submit that Canada, through that department, should be making diplomatic protests, loud and long, to the Spaniards and the Mexicans. This apparently has not been done.

Since the minister holds strong views which, as I just reported, he stated in Marystown, I think he should also tell us how many tonnes of fish he has given away to foreign countries and what advantages he has received for Canada with regard to getting entry into their markets. I am sure he is aware, and if he is not, I will tell him now, that this policy is not acceptable to the Canadian industry, for although the industry desires to get new markets, it is not prepared to be blackmailed into giving tonnage to others in return for market concessions until all or any benefits which we may receive as a nation are given or frittered away. This is not the way to manage Canada's fisheries resources.

I mentioned a moment ago that the lines of communications between Canada and the United States are cluttered with static and the message seems unclear. This analogy is equally true within Canada. In my own riding, for example, in Riverport, Nova Scotia, the Riverport Seafoods plant burnt down along with the government wharf on the afternoon of September 26.

Mr. Baker (Nepean-Carleton): I saw that.

Mr. Crouse: The hon. member for Nepean-Carleton (Mr. Baker) says that he saw the wreckage of that plant. I took him out and showed it to him. The fire resulted in disaster and desolation. This disaster caused a loss of employment to more than 300 people. It is estimated that the loss of the plant would take some $4.5 million annually—

Mr. Pepin: What did you do about it?

Mr. Crouse: —out of the economy of one county, Lunenburg County. This plant was a jewel in the Nickerson group of fisheries companies owing to the work ethic of the people who reside in that particular area. It seems old fashioned to say that these people still believe in the old but time honoured code that they should give a honest day's work for an honest day's pay.

Some hon. Members: Hear, hear!

Mr. Crouse: They also ask for unemployment insurance benefits only as a last resort. As soon as the plant was destroyed, I wrote to the Minister of Public Works (Mr. Cosgrove) and the Minister of Fisheries and Oceans, informing them of the loss. I asked them to take whatever steps were necessary, and to meet with company officials and indicate their plans for the reconstruction of the wharf. This was necessary, of course, for the wharf is used by the public and the large fishing fleet of both company owned and privately-owned ships. However, since the fire, the Minister of Fisheries and Oceans has played cat and mouse with the citizens of Riverport in Lunenburg County. He obviously does not know or he does not care about the depth of their concern over the daily loss of their employment opportunities.

Some hon. Members: Shame, shame!

Mr. Crouse: I submit that the minister has added unnecessarily to their anxiety and worry over the future.

Again, on Tuesday, I asked the minister in committee what his plans were for the reconstruction of the wharf at Riverport. He replied, "The company in question has to decide if it is going to rebuild, and as soon as there is a firm commitment to rebuild, we obviously will be preparing the plans which might be slightly different from those for the previous wharf." In all honesty, I suppose that that type of answer is better than nothing. However, I ask the minister and the government, which has two cabinet ministers from Nova Scotia: why is it impossible to get at least one direct answer from anyone over on that side which would indicate that they plan to rebuild that wharf at Riverport in Lunenburg County? There has been a wharf on that site for decades. The fishing fleet and the homes of the captains and the fishing crews are there. I submit that Riverport citizens will not easily accept or readily forget the form of shell game that this minister seems intent on playing with their fortunes and their future. I ask the minister to reconsider his stand on that issue immediately, and since the wharf reconstruction is nothing more than economic pump priming, that he immediately start with plans for its replacement.

Another factor affecting the fishing industry has been the high interest rate policy of the government. This policy has increased the industry's fixed costs, and especially inventory holding costs, to which such a seasonal industry is especially vulnerable. In addition, operating costs, especially those for fuel, for fishing gear and for labour have been outpacing general inflation while market slumps have kept the over-all market price for the product below cost.

This government has not provided any help whatsoever to assist the fishing industry to overcome its high fuel costs and its bloated interest costs, which are a direct result of government policy and for which the cabinet ministers in the House and, in fact, the entire government, must assume entire responsibility. In fact, on November 30, 1981, in response to a question by the hon. member for Vancouver South (Mr. Fraser), the minister said, "interest and fuel increases are only"—what did he call it? He said they were "irritants".

They are some irritants! It reminds me of Winston Churchill's famous phrase: "Some chicken, some neck." Some irritants, the government's fuel price increases and the high interest costs!

While these factors have triggered the current crisis, the cumulative impact of federal fisheries policy since the mid 1970s has so weakened this industry economically that it cannot withstand the present downturn. Licensing and quota allocation policies have induced too many participants to enter the fisheries industry. This has increased and concentrated fish landings in the summer when the fish flesh is soft. It is not of premium quality, and the markets are weak.

Seasonality, I say to Your Honour, is the most serious structural weakness in the industry today. The minister has the full responsibility. He has told us many times that he has the responsibility for controlling the Atlantic fishery. Therefore, he must take full responsibility for this unfortunate situation. Today, when the minister was speaking, he referred to me, for which I thank him. One always likes to hear one's riding mentioned in the House. The minister referred to "The hon. member for South Shore" when he said that it was he, the minister, who had resisted the expansion of the offshore fleet. I am like the minister, and I, too, wish the debate were a little less structured because we could perhaps get our points across a little better. However, at that time we were pointing out that some of the fleet was obsolete. In fact, some ships became so old that their continued use would endanger and could now endanger the lives of their crews. We were also saying that, to be competitive, the industry should upgrade its ships to take advantage of new technology, including some freezer trawlers for the inshore as well as the offshore fleet. That is what we were saying at the time.

Today the minister also mentioned some of the options he is considering. I hope I am quoting him rightly because I do not want to misquote him. One option was to buy into one of the large companies in order to learn more about its managing policies. He also said that the government may bring the fleet in under one management system. In other words, what he said indirectly was that the government is thinking about nationalizing the fishing industry—

Some hon. Members: Shame, shame!

Mr. Crouse: —which is comparable to that which has already been done in the oil and gas industry. This is precisely the worry and the concern of the entire industry. If it is carried out, the government will have to raise the taxes of all Canadians even higher in order to bolster its unemployment insurance fund.

I hope the minister will understand when I say that I believe Canadians should have some freedom to operate a business in a free democracy. Therefore, I am opposed to direct government intervention in the fishing industry. The government has clearly demonstrated that it cannot operate the railroads. The Minister of Transport (Mr. Pepin) will have to agree with that, as he has been apologizing for weeks. The government cannot operate the Post Office. It cannot operate the airlines. In fact, I have come to the view that it cannot operate anything. Therefore, socializing the fishing industry may well spell disaster for all segments of the industry.

I now come back to the minister's speech in Marystown. That was a beauty! The minister said, "Quality not only should be upgraded, it will be." I wonder how often I have heard him make those statements. Despite his acknowledgement that there is a need for better fish quality, this government has consistently refused to require that all fish be gutted, washed and iced at sea, largely because of opposition. The minister is getting it from certain groups of fishermen. This is difficult for me to understand because, speaking on a more personal note, when I and some friends built our first dragger in 1947, we followed the course of cleaning and icing our fish at sea in order to land prime quality. That was in 1947. The only alternative to landing a better quality than one does by icing the fish at sea is to establish a Canadian fleet of freezer trawlers. That would enhance quality. Technology has designed freezers that will work efficiently in small areas. Freezer trawlers can be anywhere from 60 feet in length, but for some unknown reason this type of concept or program has never been promoted by the minister.

• (1520)

Again referring to the minister's speech that he made in Marystown, he complained that the provinces licensed too many processing plants. He said that in the case of Newfoundland that was done by more than 200 per cent. This statement causes me to ask the minister directly: if the provinces have excessive processing capacity, why does the minister aggravate the problem by promoting and subsidizing over-the-side sales, that is, direct from the fishermen to foreign factory ships? The minister is simply compounding that problem.

Mr. LeBlanc: They do not buy.

Mr. Crouse: The minister says they do not buy, Mr. Speaker. I will accept that, and I will deal with that in a moment.

But this policy diverts raw material and potential employment opportunities away from Canadian processors, thus creating unrealistic price expectations that are incompatible with the private sector development of the industry.

I see that my time is almost up and I will conclude as quickly as I can, Mr. Speaker.

I believe that the inshore fishermen should receive the same price from the Canadian processors that is offered by communist factory ships. However, if the government can subsidize the factory ships of communist countries by guaranteeing them additional catches of squid or other fish species if they do not fill their holds with mackerel or herring, then I believe the federal government should pay the difference between the processors offered price and the foreign factory ships through the fisheries prices support board. This should be done in the form of a subsidy and given to our inshore fishermen.

In the long run, if that type of policy were followed it would bring a greater over-all return to Canada than that received

under the present policy. Also, it would be fair to all fishermen and workers, and it would not favour only a select few, which is happening under the present policy.

To place the fishery on a profitable footing in the medium to long term I submit that we must establish policies leading to the restructuring of the entire industry. I submit that the Canadian fishing industry is well placed to make a significant and ongoing net contribution to national and regional wealth, but this can only be achieved by the private sector if it is able to make some profit.

Miss Coline Campbell (South West Nova): Mr. Speaker, the minister and my honoured colleague have addressed a number of the issues, which clearly shows that far from failing to foresee the problems currently facing the Atlantic fishing industry, the government has warned all the participants right from the beginning of the pitfalls and the problem areas which would have to be dealt with on a continuing basis if the promise of the 200-mile fishing zone were to be fully realized for the benefit of all.

I have just a word to say on the 200-mile limit. Since the extension of the Canadian jurisdiction to 200 miles offshore, on the east coast and in Canada generally we have increased our share of the total catch of groundfish. This has increased the market value of Canadian fisheries production. In fact, a study recently completed by the Department of Fisheries and Oceans, entitled "Canada's Fish Markets for the 1980s", forecast that Canada could export $3.25 billion worth of fish and fish products. This could be achieved by 1985. This is a 44 per cent increase in real earnings over 1980. The study reported that, to reach this goal, the quality of Canadian fisheries products must be improved if they are to appeal to the sophisticated tastes of consumers in other countries.

Since the implementation of the 200-mile limit, I do not feel that our industry has grown to the extent that the policies have tried to make possible. In my view, the industry has not done anything about meeting the requirements of the export markets. We may put the blame on the federal government for some things, but surely we cannot blame the government for the fact that food cannot be sold in world markets. Nor can we put the blame on the minister. The minister has tried over the past few years, and has discussed measures with the industry which he has proposed they adopt, to increase the market value of our groundfish and other fish.

There are many factors which have caused the distressing state of our east coast fisheries. I will dwell on four only. First is markets. This year I have seen intensive fishing of groundfish by the offshore fleet. This was done even after a poor 1980 year. The fleet caught its quota in the first three or four months of the season to the detriment of other areas, mine in particular. I saw the haddock they caught. Some fishermen had never caught haddock before and some plants had never processed haddock before. When our season began, our own industry could not participate in that market, which had been there for years, because of the dumping by the offshore fleet and by the dumping of the processors into the existing markets.

The big four fisheries firms compete among themselves. They dump into an existing market. They catch their quota right at the beginning of the fishing season. Some of the European competitors can provide better quality, and with the favoured exchange rate there is a serious marketing problem for Canadians. We have not been able to overcome the tendency of the big four to control their existing markets and to fail to find better markets or to put better fish on the existing markets.

Another problem is quality about which I shall speak later. But first I want to speak about our high interest rates. I have not seen any of the provinces, who are directly responsible for some of those processing plants, get into the fray by helping the processing companies. Instead, they come to the federal government. I am sure some solution will be found, but I would like to see some effort on the part of the provinces in coming to a solution.

Another problem is overcapacity. This year we saw plants open which had never before operated at that particular time of year. In fact, some had not operated at all for quite some time. We may well have overcapacity in some of the fishing areas. Perhaps our vessels will have to go looking for new sources of fish beyond the 200-mile limit and develop some of the underutilized species. We have not risen to that challenge since the 200-mile limit was imposed. This too is one of the main reasons that we are suffering at this time.

My colleagues have discussed the three basic factors which must be part of any analysis of the ill health of the fishing sector, namely the resource, the capital and labour employed in both harvesting and processing, and last, but certainly not least, is the marketplace. I have already discussed in general form some of the marketplace factors which I think have existed this last year.

At the outset I wish to remind hon. members opposite that time and again, even before fisheries' jurisdiction was extended to 200 miles, the minister emphasized the fact that while Canadians were gaining a fishing zone, they were also losing an excuse for poor performance in the fishery. The time has come when we can no longer excuse ourselves for poor quality fishery products and inability to compete.

● (1530)

Until now we have been unable to control the marketplace, yet we have, off the east coast, one of the greatest potentials for industry, particularly if one considers that we are dealing with food and the need for sources of food which exist in the world today and will exist in the future. This subject has been much talked about but we have never taken the concrete action required to control the marketplace rather than allowing the marketplace to control us as is the case today.

Obviously, there are some aspects of the marketplace which we cannot control. We cannot set the world price, nor can we demand that people eat Canadian fish rather than fish caught by fishermen from other countries, just as we cannot demand that people not eat chicken or pork.

There are some aspects to the industry which are under our control and upon which we must take action. We must stop fishing in a general way and begin fishing in earnest to meet market requirements. First we must determine, before the net is put into the water, where there is a market, and what product will sell. If we find we have a particular species which would sell in the market, we should offer a top quality product so that we may obtain the top price.

I would like to turn now to processing, quality and marketing. I believe that if we on the east coast can improve the quality of our fish, our marketing capabilities will follow. The processing, quality and marketing policies are also in the process of changing dramatically. Of course, processing is an integral part of the fisheries policy because it is the processors who provide a market for the fishermen's product. The processor also provides much of the shore-based employment in the region.

The primary responsibility for this sector lies with the provincial governments. However, the federal government remains involved in areas such as inspection regulations, export marketing and regional economic development.

Quality enhancement was one of the most important aspects of fisheries policies which were discussed in the recent document called, "Policy for Canada's Atlantic Fisheries in the 1980s". A major program has already begun. It will be maintained in an effort to ensure that the quality of Canadian fish products will continue to improve.

We have had a fishing inspection program for many years which was aimed in the beginning to ensure the health and safety of consumers. However, steps have already been taken to improve quality. For example, the department has given financial assistance to help upgrade handling and storage facilities. The department has provided equipment to the inshore fishermen to improve the on-board handling, off-loading and dock-side handling and transportation. These measures have helped but, we are told, much remains to be done. The implementation of this assistance is what I am concerned about and what I will be watching for in the next few months.

After extensive consultation with people in the fishing industry, the government has embarked on a major quality enhancement program. The major elements of the program involve vessel certification, quality protection on board, dockside grading onloading, dockside handling and transportation to plants, improved quality control in processing plants and finally, finished product grade standards.

In terms of vessel certification, regulations are being amended to require that all vessels have adequate on-board facilities for storing and chilling the fish in a manner which will preserve its quality.

On-board quality protection is an area in which Canadian fishermen have not measured up as well as their competitors. Competitive industries require that fish be bled, gutted and iced on board and prohibit the use of forks and pumps which damage the edible portion of the fish, and they insist that the fish be stored at depths which prevent physical damage. In many sectors of the Canadian fishery, all of these prohibited practices are in use. I know that in this area the minister has given an ultimatum to fishermen about bleeding and gutting. However, I do feel that there are instances during certain times of the year when fish are caught that it is hard to believe that they would be of better quality by having them bled and gutted. I hope through consultation and meetings with the fishermen that this problem will be considered.

The department proposes that Canada should at least adopt the practice of chilling or icing the fish on board and restricting the depth of storage to 90 centimeters or less to prevent damage. I can assure the minister that in my area a good percentage of the fishermen are doing this already. There are perhaps other areas where fishermen are not doing this, and that may be one of the quality problems. It was not quality which prevented the sale of haddock last spring and summer. Those fishermen had had good markets and good prices for their fish. It was the fact that the inventories of the big companies, which the offshore fleet had caught so early in the spring, had been dumped on the market that brought the prices down. Haddock is not a commodity which we find in many other areas of the European markets coming into the United States. It happened to be a good selling product in the southern part of the province and this was detrimental.

Returning to the measures which are already in place, the discussion paper went on to say that by making these measures universal as well as by paying higher prices for fish gutted and bled on board, the department hopes to see a major improvement in quality. I have already stated in the House that I do not feel that gutting and bleeding fish is the only measure which makes for top quality fish. When fishing boats are out for extended periods of time, fish should be bled and gutted before processing back on shore, but when fish are returned almost immediately it is hard to believe that bleeding and gutting would make the fish of better quality.

Another area considered by the discussion paper was dockside grading standards which are being developed at this time. The standards will be based on firmness, odour, exterior appearance and degree of bruising or blood spotting. As previously noted, the department stated that first quality fish would be those bled and gutted on board, and I repeat that I question this being the only way to produce first quality fish.

If this program is to be successful, a concentrated program to train and/or licence graders is essential. To my knowledge there is no quality training program in Nova Scotia which would upgrade the quality of fish in the processing industry. The proposal now being considered is to elicit the help of the provinces in this task to undertake the training at fisheries training schools and in colleges.

If quality is a prime consideration, I certainly hope that the provinces play their part in the program.

The quality enhancement program at dockside will prohibit the use of forks and pumps which damage the edible portion of the fish. In addition, the department is working on a port-by-port basis to ensure an adequate water supply at all unloading ports. It is hoped that there will be a fully approved water or

modified unloading system at each port by 1985, according to the discussion paper.

I welcome this because one of the chief ports in my province, the town of Digby, has a bad water supply problem and has not been able to find funding under DREE. Perhaps in the renegotiation of the DREE agreement, there will be some assistance in solving this problem.

Guidelines are being developed for good manufacturing practices which will ensure the production of high quality products. Voluntary compliance with the guidelines will begin this year and the possibility of including them in the regulations which govern plant registration will be considered.

● (1540)

The department is also drafting a finished product grade standard for a number of products including crabs, frozen pickerel fillets, frozen sockeye and pink salmon, groundfish fillets, frozen herring fillets and cured herring products. These graded products will be subjected to inspection, and the granting of an export licence will be conditional on their meeting the standards. I believe this will achieve one of the expectations of the industry respecting marketing better quality products.

In the marketing field the major new direction outlined in the discussion paper is the initiation of an export licensing system, and on that point, I remind the House that the minister has been seeking an orderly marketing system for the past number of years. I do not think the hon. member who spoke just before me was implying that we should register a complaint because the two countries to which he was referring are fishing on the open seas. They have a right to the open seas, as does any other country. Until there is a law of the sea agreement, we would not have any jurisdiction to oust them from the open seas beyond our 200-mile jurisdiction. If we did, I am sure that would be considered a major provocation.

Mr. Baker (Nepean-Carleton): Fish war.

Miss Campbell: I would not even call it a fish war. I think it would be a provocation against a state. It is unfortunate that the two countries referred to do not belong to NAFO.

There was some mention about the EEC agreement, and we must remember that Canada negotiated to get orderly marketing arrangement with the EEC. Only recently has that been ratified by the EEC and, to my knowledge, the Canadian provinces and processors which were opposed to this have not stated whether or not it should be ratified by this country. However, the process of the negotiations did involve the provinces and the processors. It is my understanding that a decision will be made very shortly on the EEC agreement.

I know time is passing. There are many problems, but I believe they can be solved. This fisheries minister has always been able to sit down and discuss problems. It is a matter of the industry showing good faith. I remember back in 1974 and 1975 when this minister brought in a support program for the groundfish industry, which was failing at that time. The industry promised it would come up with better standards and better marketing conditions for its fish. It seems to me that those conditions have not improved since then, and I for one did not feel it was necessary at that time for assistance from the federal government. I felt that the industry should have improved its own fish operations because there clearly was irresponsibility on the part of some of the big companies in expanding to meet a demand which they were not working to increase in the marketplace. I wish the minister luck with the problem. It is a major one, but I know he has resolved other problems in the past. He is having a meeting with the provincial ministers on Monday. To my knowledge, he has been meeting with representatives of the Fisheries Council over the last few months at least every six weeks. This demonstrates his willingness to discuss the problem. There may be some hon. members opposite who are not as willing to look at this problem.

I speak from experience because last spring when the problem arose with respect to the haddock fishery in South West Nova and at the southern end of my province, the minister met with both fishermen and processors. A $14 million stabilization plan was brought forward by the Fisheries Prices Support Board. However, the people who had put the inventory into the market were not willing to accept the plan and, to the best of my knowledge, did not come back with any alterations to the plan, and have yet to come forward respecting that $14 million program for haddock inventories.

I am pleased to have taken part in this debate today. I would have liked to comment on other matters such as sector management, which I feel needs to be discussed. I can see that the general over-all feeling respecting sector management is good in the sense that there will be Gulf sector, Newfoundland sector, Scotia sector and Fundy sector. However, there are problems which are worrying the people. The resource in a given area should be for the fishermen in that area, and there should be no lines drawn, particularly in the Scotian shelf area, between different areas. I realize that there will be discussions on sector management before its full implementation, and I look forward to some of those discussions.

Mr. Mel Gass (Malpeque): Mr. Speaker, I too am happy to participate in the discussion this afternoon on the fishing industry on the east coast. Over the years the east coast fishery has been a valuable sector of the economy of Atlantic Canada, but in the last number of years it has been declining in importance, and we have had a great number of problems in the industry.

This afternoon my comments will be about a proposal the Department of Fisheries and Oceans is considering. It is a proposal regarding transferable property rights. I read a paper on this matter and, according to my understanding of the contents of that paper, one objective of the proposal is to allocate to certain sectors of the industry the right to own the fish that are in the oceans. They will have the right to catch those fish at places which are convenient to their operations. Another objective of the proposal is to provide for a more uniform and even flow of fish to the processors in order to

avoid a boom and bust or a feast or famine situation. I agree with this objective, and I can certainly endorse the principle, but there are some concerns I have about the proposal which I would like to voice at this time.

As I said earlier, the paper is a note on transferable property rights. It defines the proposal, explains its application and briefly discusses the benefits and some of the problems which could be expected.

The report defines transferable property rights as a distribution of fish quotas to individual fishing enterprises which may catch the assigned quotas at whatever time and, in principle, by whatever method they choose. Transferability implies that the quotas can be sold, traded, loaned, rented, etc. as can any element of private property. It tries to clarify that they would not constitute personal property as such, but once allocated initially by the Crown, there should be an implicit notion of contract which would protect the recipient against arbitrary withdrawal of the right. Nonetheless, it is almost certain that the federal government would enact regulations to place some restrictions on freedom of transferability to prevent quotas concentrating in too few hands, or in foreign ownership, for example. One of my concerns is that these quotas will be assigned to certain companies, and on the east coast at the moment, unfortunately, there are large fishing companies which are in extremely poor financial condition. They are almost bankrupt. If, heaven forbid, they do go broke, I am concerned that their rights might be transferred to other companies which may not even be located in the same province. Those companies would then have control of the fish and take it to that other province, eliminating completely a fishing industry in the former province. That is one of my basic concerns about this proposal.

● (1550)

The paper suggests that this proposal could in principle be applied throughout the industry, but for practical reasons it is most feasible to first test the concept in the offshore sector. The first and most important step in the application of the policy would be a division of the total quota, the total allowable catch, in a given stock among fleet sectors. Once the offshore share of the TAC is determined as a percentage, this amount of fish would be allocated among trawler operators over a certain long period of time and according to some initial formula. The major benefit of the transferable property right according to the proposal, as I understand it, is that many of the problems we now struggle with under the common property system will be eliminated. That may be so. Only time will tell.

We are all aware of the race mentality which is a result of fleets naturally trying to maximize their share of a quota. The result has been short seasons which operate regardless of when fish are schooling. Large fleets are maintained to maximize the catch, but they sit idle for long periods of time after the quotas have been caught.

Similarly, processing plants are pushed to their limit during the season and then must lay many of their workers off when the glut of work disappears. After all, the fish have been caught, the processing plants have to lay off the workers. These feast and famine cycles have plagued the industry as long as the government has found it necessary to impose limitations on the period of the fishing season.

We must recognize that the problem is not an industry-generated one, but an infliction caused by the government's decision to regulate. I am not saying we should not act to protect our fishing resource, but the problem is created by the government, so we have a responsibility to act to solve it. For that reason, we must examine very seriously any proposal which changes in a very major way our existing fishery. However, before embracing it as our survivor, let us examine it critically to see if it truly is a superior system.

The introduction of transferable property rights would be a complete reversal of our current theory of fish ownership and resource management. Presently we expect fish to be common property. Harvesting of it is controlled by licensing and restriction of the season. The transferable right claims that fish should not be common property but should be allocated by a yet undetermined system to the fishing enterprises. In theory, the race to harvest would end and the fishermen could concentrate their efforts on economical and efficient methods. That is something we all want. This would logically lead to a much more consistent flow of fish from the trawlers to the plants, eliminating the boom-and-bust aspect and the race mentality.

The discussion paper points out that the fishery is the last major resource industry where participants have no property rights in the resource itself. This is undoubtedly correct. However, we must be concerned about our method of distribution of the ownership. The concept is one that is most important in a country which operates under the rules of a free marketplace. Ownership of a resource as important as fish is of great economic value. If we do not distribute that resource fairly or equally, it will be very hard for any government to justify seizing the property for redistribution. In fact, the proposal of giving away a resource owned by the Canadian people is an important consideration we should all reflect upon. The rights to fish present to any owner a great possibility to generate a profit. The fish in the Atlantic Ocean are of great value. We should determine the cost of that licence. Will it simply reflect the cost of the paper work and administration, or will it reflect the true economic benefits gained by the new owner? The answer to those questions depends on how we define property rights.

Let us at this time take a close look at the beneficiaries of the transferable property rights and just how they may respond to its enactment.

The trawler fleets currently are of sufficient number to be able to harvest a large number of fish over a short period of time. That is what happened last summer. The trawlers caught the allowable catch for the year in a very short period. Consequently, the season closed. The fish plants closed and a great many of the plant workers were out of work after a very few weeks.

With the elimination of a formal season, the fleets will concentrate their efforts when and where the fish are schooling. This will result in a much more efficient harvesting of the stocks and a more even supply of fish to the processing plants. This is something we all desire. The probable result is a gradual elimination of older, less efficient trawlers which would lead to employment for less men but over a longer period of time. This will effectively lead to even more fishermen being out of work.

I hope the minister realizes the likely consequence of the establishment of the transferable property rights, and is prepared to try to establish alternative employment opportunities for those affected. That is one of my main concerns. We will have fewer people working longer periods of time. It is an important goal to try and attain. However, there will be greater numbers of people out of work. They will not be able to find alternative work.

The processing plants will be subjected to even more substantial changes. A more constant supply of fish will eliminate the peak period when all of our processing plants are running at 100 per cent production levels. It is reasonable to foresee a large number of the small, older and outdated plants going out of business. Not only will many jobs be eliminated, but this will likely happen in areas such as Prince Edward Island where smaller plants exist. They will lose out. The larger centres will benefit.

Our discussion today centres on the plight of our fish processing industry and the discussions the Minister of Fisheries and Oceans (Mr. LeBlanc) will have with his east coast provincial counterparts on Monday. I certainly hope that the minister will suggest that transferable property rights be examined as a possible solution. I hope at that time he recognizes it for what it is, a plan to stabilize the cyclical nature of the industry.

The fact that the industry is geared to the cycle will mean further strains on it in order to adjust. The transferable property right is at best a partial solution. The consequence and responsibility of causing unemployment and losing part of the industry must be addressed by this government in its meeting with the provinces.

At this time I would like to express my concern of this "notes" proposal that transferable property rights be introduced exclusively in the offshore fisheries, with the remainder of the industry being introduced to it at a later, as of yet undetermined, date.

We must realize that the theory and principle behind these management programs are opposite and contrasting. How will we explain to the struggling inshore fishermen why the government has given offshore trawlers exclusive ownership of a large quantity of unharvested fish while they must continue to struggle with the inequities of the present common property system? If fishing regulations are not uniform, conflict in the industry will intensify.

I realize that application and enforcement of transferable property rights will be much easier if it is restricted only to the offshore fleets. Setting quotas and enforcing restrictions on catches will be, without a doubt, a huge task. If it is not done equally or if quotas are not closely adhered to, the system will break down. When a decision is made, it must be made in the context of all the fisheries. A fair and equitable system must be established to win the respect and co-operation of all involved.

I am sure that the minister is aware of problems created when the government fails to stick to its own set of rules. I rose in the House on October 14 to bring to the minister's attention the anger and frustration of P.E.I. scallop fishermen in the Northumberland Straits.

Actions such as this have caused much frustration and distrust of this government and have encouraged the belief that we have no management plan for our fisheries. The most enlightened aspect of the transferable property rights proposal is that the fishermen would gain more control over their fishing operation because they would not be subject to the unexplained whims of the minister.

In closing, I would like to encourage the minister and his officials to listen hard to the concerns and requests of the provincial ministers of fisheries when they meet in Ottawa on Monday. They are in closer contact with the fishermen and understand well the problems the east coast fishermen are now experiencing. The transferable property rights system has merit, but major problems still exist within it. They must be addressed and solved before the full merit of the new system can be judged by the House.

• (1600)

I want to reiterate, Mr. Speaker, that the principle as outlined in the proposal would stabilize the fishing industry, eliminate the boom and bust cycle or the glut of fish being caught in the short season, the plants operating over 100 per cent capacity into long hours of the night, and then all of a sudden the quota being caught and the plants closing down for the season. The principle behind this policy is largely to eliminate that. It is something I endorse on principle. However, as I said earlier, there are many things in the proposal that are of great concern to me and I hope that they will be brought to the attention of the minister. I hope the minister will pay attention to some of the concerns that will be explained or voiced to him on Monday by the ministers and deputy ministers of fisheries from eastern Canada.

Some hon. Members: Hear, hear!

Mr. George Baker (Gander-Twillingate): Mr. Speaker, to say that the fisheries industry in Newfoundland is in dire straits would be a gross understatement.

The year of 1981 has been a disastrous year in fisheries, not just for fish plant owners but for thousands of fishermen and fish plant workers. In my few remarks today, Mr. Speaker, I should like to give the House my own opinion about this situation, mostly as it relates to the inshore fishermen, particularly in my area. The major problem for the people on the northeast coast of Newfoundland this year was the lack of fish.

It was incredible, as I went around my constituency this summer, to see ten to twenty communities where absolutely no fish was caught, and then two or three other communities where the fishing could be described as being from good to excellent.

The scientists claim that it was because of the temperature of the water. While accepting that rationale, there are other factors that should be noted, factors that go beyond the short run and factors that go unnoticed because of lack of attention, generally speaking, to the long run.

I have always maintained that if fishermen on the northeast coast of Newfoundland could sell all the fish they catch, and if that fish were going into final production in Newfoundland, even at times when we have a poor inshore fisheries, the return to fishermen, fish plant workers and fish companies would not be classified as the disaster that it was this year.

The time is long overdue for provincial and federal governments to be working with the industry for the long run. It is not good enough that at times of economic distress in fisheries, governments turn on governments, searching for excuses to lay blame and, in some cases, to make up for their own shortcomings. There has been no plan or united approach to the fishermen.

Provincial governments control the issuing of licences to processors and buyers. The federal government controls everything from the low water mark out into the ocean, and never the twain shall meet. The big losers in this game that is being played about who is to blame in this disjointed approach are the fishermen, the fish plant workers, the fish plant owners, the Newfoundland people, the Canadian people and the people in other countries who want to purchase that product.

Let me be more specific. I shall first talk about the fishermen. In the federal riding of Gander-Twillingate there are 10,000 fishermen. Most of them have small boats, and a minority of them own what we call long liners.

In 1981, the vast majority of these fishermen had an absolutely disastrous year. Can one imagine a fisherman getting up at 3 a.m. steaming out to the fishing grounds, hauling his nets and returning home at 8 p.m. and not having made enough money to pay for the fuel that he burned in his boat for that day! That happened to thousands and thousands of fishermen day after day and week after week. The year of 1981 for most fishermen was the year when they had to go out in stormy weather late in October and into November just to try to get that extra stamp for unemployment insurance so that it would help them over the winter, or to provide them with enough income so they could at least keep body and soul together until the unemployment insurance cheque arrived. They made practically nothing this year.

Yes, there were fishermen who had a good voyage on the northeast coast this year; but for every one of these fishermen, I could show you 20 who did not have a good voyage. These experienced men and women—and that is the majority—who have thousands of dollars of debts on their equipment and on their boats hanging over their heads and who have bill collectors hammering on their doors, continue to experience extreme hardship.

While this natural disaster, this scarcity of fish continued, the provincial government's loan board deducted fishermen's loan payments as the fish came into the plants. As a result of its audits, the federal government deducted money as the fish came over the wharf. UIC nailed them with overpayments. The men went home with as little as $40 a week in their pockets in the months of July and August, the very months that they were supposed to be making most of their money.

To listen to hundreds of people recite that same story was incredible to me. I shall never forget it. In trying to help the primary producers, I spent a great deal of time this summer appealing to UIC, making formal appeals to them, and to the Department of National Revenue, and appearing before umpires on their behalf, writing reams of correspondence on each case. Eventually, out of total frustration I publicly denounced the provincial and federal government departments concerned. At a time when there were no fish, the system dealt these fishermen blow after blow. In fact, Mr. Speaker, at this very minute on Fogo Island in my district there are 484 cases of overpayments according to the Unemployment Insurance Commission. The man receives a letter from the Unemployment Insurance Commission which says, "You owe us $8,000 from our audit for the last four years. If you have already sent your payment, then disregard this notice. If you have not, you have to do it immediately or we will pursue some form of collection".

While delving into this matter I was informed by the Unemployment Insurance Commission, from which I received no co-operation, that if I delved into the matter much more, because there was an RCMP investigation by the fraud squad, I could be charged with interfering with the judicial process.

• (1610)

There are only a thousand households on the island. Last week I sent out householders containing a questionnaire and statements to sign. If the system calls that interference with justice, then it should charge me right away.

When I said that there were no fish, I meant there was no cod fish. When we on the northeast coast of Newfoundland talk about fish, we talk about codfish. Generally speaking, it was a poor year as well for squid and other species. This leads me to the subject of fish and fish plants in the area which I know best, where 10,000 fishermen have experienced a poor year on the northeast coast.

I have heard the arguments today on both sides of the House. The argument used by the federal government and by the fishermen's union in Newfoundland is that there are too many fish plants. This argument is used in condemning the provincial government for issuing more processors' licenses these past five years than at any point in our history. It has caused some problems with the larger plants now experiencing trouble on the south coast of Newfoundland. It may have its merits. Even if the provincial government now admits or

claims that it is part of the problem, there is another side to the story.

The biggest issue in the fishery industry on the northeast coast of Newfoundland has always been that fishermen cannot sell every fish they catch. There are not enough plants to buy all the fish fishermen catch. When a community is told that it will obtain a fish plant and that the plant will sell underutilized species, species which it has not been able to sell in the past, the announcement is greeted with cheers. It is welcome news to see employment come into a community where there are only a few jobs in a local store, perhaps one in the post office, perhaps two men working with the department of highways in the winter, where families are on welfare and there are no employment opportunities. I defy any politician to deny these people employment opportunities. Also I defy any provincial or federal politician to deny that it will improve the quality of fish because they do not have to be trucked 200 miles to the closest plant.

If there were more dialogue between the provincial government and the federal government, I am convinced a happy medium could be found. Then and only then could both governments discuss the real problems in the fishery which are prevalent in good and bad years. I believe these problems are at the core of the whole affair. Solving these problems would go a long way to relieving a situation such as the one this year. For example, in good and bad years we dump tens of millions of dollars worth of fish. In some countries it would be considered a continuing national scandal and disgrace until it was corrected. With the starving millions of the world, how can we justify the use of only female capelin in our fish plants while the male capelin are dumped into the water? Approximately 60 per cent of the capelin caught are dumped because they do not contain spawn. How can anyone justify, every year there is a good fishery, the dumping of 30,000 pounds of herring from one small boat if the plant is overloaded or there is an August glut? This is the case boat after boat. How can anyone justify the dumping of fresh squid because of a boat quota by the fish plants or the over-the-side sales to foreign boats? No one can justify the figure of $20 million to $30 million of dumping off the Newfoundland coast in good years, just as no one can justify the dollar value of fish dumped this year, a bad year in the fishery. A fisherman can go out at three o'clock in the morning, spend all day on his boat but not make enough money to pay for boat fuel. He passes over miles of mackerel; he can see them on his sonar. He cannot catch them because he cannot sell them. That is the reality on the northeast coast of Newfoundland; this is happening.

The real problem must be addressed, but I do not honestly believe it will ever be addressed because the experts who are supposed to know, say that it is impossible to correct, that it cannot be solved. I am referring to the problem of what happens to the vast majority of fish after they are landed. The man on the street presents the argument; the man on the northeast coast of Newfoundland asks simple questions which I have heard hundreds of times in conversations in kitchens late at night over cups of tea. The questions are: Why do we export most of our fish in a relatively raw state? Why do we export so much fish in cod blocks, in barrels or in frozen blocks? The answer given by everyone who is supposedly an expert is always "tariff barriers". The issuing of a processor's license on the northeast coast of Newfoundland in 90 per cent of the cases is the issuing of a license to semiprocess or not to process at all.

I am not suggesting that this problem could be overcome within one or two years or even three or four years, but surely that is the direction which should be followed eventually to final production. Are we to accept the simplistic argument of tariffs for all time? Are we doomed forever by shortsighted government policy which indicates in effect that fish will be exported from a fish plant in Canada to a fish plant in Massachusetts? Fish are being shipped from a fish plant in Newfoundland to a fish plant in another country to be processed, to be sold, to be marketed in that country and then possibly even sold back to us. We export our jobs, we export our profits, we export our economic advantage. If there is one thing that we have in Newfoundland, it is fish. We did not have much this year, but we still have fish. Yet, because there is no long-term planning for the industry, no economic planning, no provincial planning and no consistent rapport between the two levels of government, we are losing the one great advantage we have over other countries.

The provincial government controls everything from the low water mark on land and the federal government controls everything from the low water mark out into the ocean. Because never the twain shall meet for long-term planning, we will continue to export our fish from Newfoundland fish plants to fish plants in other countries, we will continue to dump fish, we will continue to persecute fishermen and we will continue to play games, all for the short term. The time is coming when fishermen, fish plant workers and fish plant owners will come to the conclusion that the solution of problems in the fishery is much too important a question to be left in the hands of politicians.

Some hon. Members: Hear, hear!

● (1620)

Mr. Fred McCain (Carleton-Charlotte): Mr. Speaker, I do not believe I can really accept the closing remarks of the hon. member for Gander-Twillingate (Mr. Baker). Politicians have become so involved in this matter that I do not know how the problems of the industry can be unravelled or how it can be put back in the hands of private enterprise and responsible individuals who did not do so badly prior to the interference of the politicians. Perhaps we should get the politicians out of this and let the industry operate on its own, as it did for many years.

I do agree with what the hon. member for Gander-Twillingate said however, with respect to the activities of the Minister of National Revenue (Mr. Rompkey), with whom the hon. member should be very well acquainted. I would suggest to the hon. member that he should arrange a special meeting between the minister and the Standing Committee on Fisheries and

Forestry. Hon. members could then explain to the minister in person the problems with the harsh, unreasonable assessments that are being made retroactively for three, four, five or even six years. I am respectful of the community I shall name, Mr. Speaker, but these assessments are made by somebody born, say, in the community of Estevan, trained in accounting and transferred to St. John's, Newfoundland, where he or she is ordered to reassess the income tax returns of the fishermen. A person like this knows no more about the realities of the fishermen's business than a goose knows about Providence, and this ignorance is illustrated in the reassessments. This procedure is cruel and unreasonable. There is no understanding of the difficulties and the costs that fisherman incurs when trying to make a living.

I urge the hon. member for Gander-Twillingate to invite the Minister of National Revenue to meet with the fisheries committee so that the inequities, the cruel, unreasonable and illogical inequities of retroactive income tax assessment, can be revealed to him. Not all those reassessed are innocent, of course. Some have been careless about filing their returns, but for every one of those there are probably two dozen innocent people mortgaging their homes and their boats and going without necessities in order to pay taxes on assessments made by people who do not know what they are doing.

I appreciate the comments of the hon. member for Gander-Twillingate and I offer my sincere support to him in any action he wishes to take against such unreasonable behaviour by an otherwise responsible minister.

The Minister of Fisheries and Oceans (Mr. LeBlanc) has problems and, to a large degree, these emanate from the fact that for the last ten or 15 years successive ministers have decided they could run the industry better than it had been run hitherto. The minister who initiated such behaviour may have had some grounds for it, but things have not improved.

I think we should examine the licensing structure, Mr. Speaker. The licensing regulations change without notice. For instance, there is the case of a man who has a licence to fish in the Bay of Fundy and the Atlantic for scallops. When he goes to renew his licence, he finds that now he is constrained to a seven-mile limit. Unfortunately, however, he does not look at the licence when he picks it up and misses the fact that he is no longer allowed to fish in the broad area he used to. When he goes to inquire, after he has been apprehended outside the seven-mile zone assigned to him, he is told that he is no longer eligible for the licence for that area. So he has been deprived of his fishing area without notice—and without noticing. Now it is too late for him to re-establish himself.

What happens in such a case, Mr. Speaker? I will give you the example of a young man in my constituency who bought a boat with which he expected to do some scalloping. He had a letter from the minister which indicated that he was eligible at one time for a licence. He bought a boat worth $100,000, mortgaged his home, but now he finds that he does not have the kind of scallop licence that he thought he had and there is no way he can get enough scallops within the seven-mile zone. Now he finds he cannot get the licence for which he thought his boat was eligible when he bought it. I suppose that officials in the department will say that he should have known that. I submit, however, that a fisherman has no way of knowing from one day to the next what his licence will be. The information is not posted or circulated to licensed fishermen in advance. The change is imposed at the will and pleasure of some regulatory individual in the department.

The young man to whom I refer happens to be a very strong supporter of the minister's party, but I plead publicly on his behalf—give him the licence that he must have to save his home, to save his boat, to save his honour! I will plead for others who support me or who support the people on our left, because it is my job in this House as a representative of a fishing community to seek fair play. I do not care what a person's political stripe is; if my services are needed, they are available. I say publicly that this man, along with many others, should get his licence.

I should like to put on record another example of a licensing problem, Mr. Speaker. A person in my constituency bought a boat which already had a licence. When he went to transfer a licence from a boat that is now unsafe to the new one, he was told he could not do that. He could not transfer a licence which he had owned to a boat which he now owned. He was told he would have to get another boat if he wanted to use the licence from the unsafe boat. I have known this man for only ten years. He and his family have worked like dogs. Whenever there were fish and scallops to be had, he was out there, no matter how long it took. He has equipped two sons, and a third one is working for him. To date he has surrendered a total of eight licences because he wanted new boats. He needed the diversity of fishing capability which he had in those licences, but they have been taken from him. In my view, this is partly because Halifax has the control of fish and fishing licences for New Brunswick. I submit to you, Mr. Speaker, that the officials in Halifax could not care less what happens in the Bay of Fundy or in the province of New Brunswick.

I am sure that the hon. member for Gander-Twillingate and the hon. member for South Shore (Mr. Crouse) would join me in appealing to the minister on behalf of communities which have no opportunity to make a living other than through the fishing industry. For generations that has been their sole source of support. When the licensing and quota regulations fall on an isolated community with such severity that it can no longer make a living, then I submit that the minister has to look into the situation. The islands of Campobello, Grand Manan and Deer Island are isolated fishing communities. There is no other way that people can make a living in those communities. When quotas and licences and disadvantages are imposed upon those people by regulation to the point that they cannot make a living, then I ask the minister, in the name of mercy and consideration, to look into matters. Licences should not be taken away. The value of licences should not be reduced by regulation without notice, or the communities will be destroyed. We are all very concerned about the amount of fish left in the ocean. Mr. Speaker, people have been fishing in those areas for nearly three centuries and there are still fish

there. I agree that we must have quotas and that there has to be an element of regulation, but if the people have been able to look after themselves for that period of time, that indicates to me that they should have a little recognition and help, and not be totally neglected. Fairness and justice is the least they can expect.

• (1630)

Yesterday, I believe the deputy minister discussed aquaculture, a subject which has been close to my heart for over 20 years. My interest started when I first saw the work which could be done and the wealth created from fish culture, or aquaculture. It is a subject which our government has not chosen to support except, perhaps, for a little research. However, it has had some knowledge of the subject. For instance, concerning salmon aquaculture, I believe that a man was seconded from the Department of Fisheries and Oceans. His name is MacDonald, and he worked with a subsidiary of Devco in the rearing of salmon on a farming type of basis. He made very important progress. In my last conversation with that man, he said that if he could get someone to help him a little financially, he was quite prepared to risk all his savings in the establishment of a fish aquaculture program to rear salmon. That information has not been available to other people.

Therefore, in the province of New Brunswick, there was eventually evidence that, in fact, salmon could be reared in a farming type of set-up. I commend the government for eventually extending a grant to a company to do some experimentation in fish rearing after it was proven that it could be done. This proved to be successful and it illustrated the fact that, beyond question, it was profitable if properly conducted. The man to whom I referred was joined by three other people whom I know. They were all assured by departmental officials that this program would receive support for five years from the department. After that time, they would be on their own. Almost all the support these people needed was in the supply of fish from the fisheries department and its fish hatchery structures. This year they were advised that they will not get an adequate supply of fish next year. Therefore, that support has been withdrawn.

As I have mentioned in the fisheries committee, at least two people have made a final commitment to donate $500,000 each. If they have a season in which they do not have fish to sell, their very existence will be threatened. Their bank credits will probably be withdrawn, but other payments to financiers, particularly governments, will continue.

There has been a breach of faith, and I appeal to the minister. These people probably need 120,000 fish in total. Let us provide them with the fish which are being reared in Atlantic Canada. Their demand is not such that it will seriously affect the amount of fish which would ordinarily be put out for the sports or for professional fishermen.

I compliment the hon. member for Manicouagan (Mr. Maltais) for very strongly advocating more research. This is a case where it is proven that research can be done. However, now we find that, on the one hand, we have some people within the public service structure who do not wish to extend research for public use, and, on the other hand, people who would like to see research extended and put to practical use. The whipsawing that is going on within the department is apparently what is depriving these people of the fish they need.

I say to the minister through Your Honour that it is time that he took this in hand and that the word of responsible officials was kept so that these people will be serviced as they were promised. I ask Your Honour whether you, as a responsible man, would commit yourself to $500,000 of ultimate expenditure on a whim or a chance. Your Honour would not, but these men did. Now the supplies are not there. I appeal to the minister to supply them with the fish which had been assured to them by the promise of support.

Today we have been discussing the quality of fish at length, and I would like to speak a little further concerning the matter. Licensing bears some influence on the matter. A couple of herring seiners decided that they could land better fish if they owned a third boat between them. They spent something approaching $400,000, and surely over $300,000, to buy a boat and equip it with refrigeration equipment so that if they were fishing a distance from shore they could put the fish in the new carrier and properly convey it home, refrigerated and in top quality. What happened then? They obtained a licence for the boat into which they had invested so much money, a licence to use the boat near home. From that distance, they could have brought the fish to the processors in a scow in good quality. However, when they wanted a licence to fish in distant herring regions, they could not get one. As far as I know, they never did.

Are we talking about quality? I say to Your Honour that officials of the fisheries department who denied that licence were talking out of both sides of their mouths. That refrigerated boat was badly needed in the fishing industry. However, it is useless and it is virtually restricted to shore use.

Again, by virtue of licensing regulations and restrictions, the size of the boat is restricted. There is no way that the Minister of Fisheries and Oceans will grant a man the right to build a boat which is a little bigger so that it will have the same capacity after refrigeration equipment is installed. How, in the name of all that is reasonable, can one get quality if a man is not allowed to build a boat which is a little bigger to refrigerate the fish he catches offshore? Let us become reasonable and rational in this licensing and regulatory structure.

I think the point blank statement which has been made in respect of the processing industry requires some questioning because, to a very large degree, fishing is a seasonal operation. There are times when fishermen will catch a lot of fish. I think it was the hon. member for Gander-Twillingate who again pointed out that we are wasting fish because the processing capability is not there. Processors establish boat quotas and fish are dumped overboard, either at the port or offshore before they get to port, because the quota of the processor in Gander-Twillingate has been exceeded. This is not unusual in the herring industry or in other industries where the catching

capability exceeds the processing capability. Because that industry is seasonal, the processing industry must be larger than that which can be kept occupied for 12 months of the year. It must be able to accept the peaks and valleys of delivery. Fishing in the ocean is perhaps not as uncertain as fishing in a stream. However, it is not certain enough that we can say to the processing industry that it has too much fish, while fishermen are saying to hon. members of the House that they cannot sell their fish because there is not sufficient processing capability. We cannot have it both coming and going. We must accept some realities.

It was my privilege to spend a week viewing some of the aspects of fisheries on the west coast. It was also my privilege to have been born in Carleton County, New Brunswick, and to have lived beside a fish hatchery for many years of my life. The fish hatchery was built in 1927. I was in and out of it, very regularly, for the next 20 years. I guess I could not have managed it, but pretty nearly. I learned a lot: from grinding liver to feeding fish, and picking fish to stripping fish. I want to ask the minister and the government, through Your Honour, how the government of Canada could support five fish hatcheries and one holding facility in the province of New Brunswick from 1927 until about ten years ago, but now it cannot. Can the minister tell me how, in the thirties, we could strip, set and hatch 20 million eggs in those five hatcheries, and today, we can only put 250,000 eggs in a hatchery which formerly hatched up to five million eggs a year? While this is happening on the Atlantic coast, we are spending $150 million in a five-year program in British Columbia. I do not begrudge British Columbia one cent as I know it needs the funds. However, I say to Your Honour that a minister who would be party to the expenditure of that sum of money in British Columbia, opening up plans for a second phase of the same program in British Columbia, has a duty and a responsibility to operate those five hatcheries in New Brunswick which we could operate in the thirties. We could operate those hatcheries in the 1930s when we did not have enough to pay six months' interest on today's budget. The budget of Canada at that time might not have been much bigger than the minister's own budget. Relatively speaking it was small. We cannot operate those hatcheries there now. We had the facilities. We had the staff. We had the expertise. But it has gone. That is why we cannot supply fish to these people.

● (1640)

I see the minister shaking his head. I tell him not to shake his head. His officials knew full well what these men were doing because they were in contact with the aquaculture people. If I am not mistaken two years ago—and I might be out a year—his department did not set the eggs it had, and offered to sell them. One year ago the department did not have enough eggs and refused to buy any. That is my understanding. Salmon eggs were offered to the minister's department. These eggs were not bought. They were sold. There are not enough eggs set now to give the support promised to the aquaculture people. We do not have a salmon enhancement program nor do we have any surveillance of the salmon that are now in the sea. We need both of those.

The importance of salmon to the tourist industry is extremely significant to Atlantic Canada. The importance of salmon commercially and the importance of salmon for the tourist industry is extremely significant to British Columbia. Let us get some balance here. Over-the-side sales are something which may on occasion be necessary. I will not condemn them completely. But when that fish product comes from behind the Iron Curtain into markets into which our fishermen and our processors sell the rest of the catch at lower prices, our processors cannot pay a better price than they do. That is why they cannot be competitive with sales of mackerel and other fish because they are dumped into our potential markets after we have subsidized the foreign fleet by issuing an additional quota. Certainly they can pay more for the fish. But there has to be an adjustment of over-the-side sales, if any, to recognize the competition in the same markets with our fishermen and with our own processors into which the over-the-side sale is eventually marketed.

[*Translation*]

Mr. Rémi Bujold (Parliamentary Secretary to Minister of Employment and Immigration): Mr. Speaker, it gives me great pleasure to take part in the debate on this opposition motion on a very important matter. It goes without saying that this motion condemning the failure of the government to forecast or avert the current problems in the fishing industry concerns me deeply, as it does our government, because I could go as far as to say, Mr. Speaker, that I represent one of the great fishing constituencies in Quebec. And when I read this opposition motion condemning the failure of the government to forecast or avert the crisis facing the major fishing companies in Canada, I must say that I can't help smiling because of the naivety of the members opposite and their strange conception of the facts.

I was listening this morning to the Minister of Fisheries and Oceans (Mr. LeBlanc) when he attempted to show to the Canadian people and the two opposition parties in his reply that since his appointment as minister, he is one of those in the Canadian government who has shown most concern for the fishermen, their families and the economy of their region since confederation. He pointed out that, on his appointment to this department in 1974, he looked fully into all these problems, that he had to stand up to the major companies to protect our small fishermen, that our friends opposite have strongly protested against the measures proposed by the minister to protect one particular category of fishermen in Canada, and that he is now being blamed for not having forecast that crisis. However, I believe. Mr. Speaker, that he had indeed forecast it and that he was determined to do something to avert it, but that our friends opposite would not have allowed him to do so. During those years, if the Minister of Fisheries and Oceans had been allowed to try to get involved in the processing industry on an

equal footing with our major companies, we would probably not be facing such problems.

During the short time when they were in power, the same people who are now accusing us of doing nothing managed to grant these major companies certain privileges and rights that the minister had withdrawn under the previous government, so that these major companies once again had the advantage over inshore fishermen of the Gaspé peninsula, New Brunswick, Prince Edward Island and Nova Scotia. And they are now blaming the government for its failure to prevent the current difficulties. If the opposition had really wanted to protect the interests of ordinary people, of fishermen, if it had co-operated, the minister would probably have succeeded, as he has done in all the areas where he has taken action, to better avert the crisis and to adjust government policies to meet the problems experienced in certain regions.

On reading, further on in the motion, that the government is being asked to give the fishing industry the same active support it gave some multinationals in this country, I feel our hon. friends have completely overlooked what the Department of Fisheries and Oceans and the Department of Employment and Immigration did jointly with their community development projects in Newfoundland. I shall come back to that later. But I mention it in passing just to point out to you that this motion, which is meant to prove that the government has done nothing, is absolutely harebrained and unfounded in fact.

Mr. Speaker, of course the big companies that hire thousands and thousands of workers are extremely important. Even I have some of their plants in the riding I represent here in this House, especially in the Magdalen Islands; their plants process the fish there. In that particular region, we have not felt the impact the other provinces have, perhaps because we have better administrators locally or because someone having foreseen a drop in prices and demand, this season's operations were planned accordingly. Looking at another aspect of the problem, we have to recognize that some multinationals are very important and beneficial for our economy; still, we must also keep in mind the countless small inshore fishermen on whom both small and medium-sized businesses depend for their fish. Naturally, when a big multinational has problems and shuts down, the whole economy goes down with it. However, if in another area where there are several small businesses in operation you have a couple of them doing bad, you could still have two or three others which would be going fine because they supply markets located in other areas or other countries.

These small businesses which very often are operated on a family basis or by a co-operative or a syndicate of businessmen living in the same area, are very much aware of the needs and interests of the whole community. And that is why it is tremendously important, Mr. Speaker, that we pay attention to these small companies which we are trying to set up in business in Quebec, New Brunswick, Prince Edward Island and the other Atlantic provinces, because they deal, as I mentioned a while ago, with limited numbers of fishermen in their effort to provide their respective small communities with the amenities of life which are sought by all concerned.

And that is why since 1974 the Minister of Fisheries in the Canadian government—except during that short nine-month period which fortunately did not last any longer, because during that short period, as I said earlier, it was the small fishermen who had to bear the brunt of some of the policies of the then government—this Minister of Fisheries has been able to implement extremely worthwhile and conclusive policies so that small Canadian fishermen have rediscovered the challenge and the incentive of returning to their occupation and now realize that their trade or their work was the same as all others in Canada rather than a third rate trade as it had been in the past unfortunately. It was our government and our Minister of Fisheries who managed over the last seven years to inspire confidence in Canada's fishing industry and in small fishermen so that at last they were able to look upon that very important vocation as a source of rewarding work to support their families and supply food to their fellow citizens.

But how is it that our government was able to give those people an opportunity for progress on a labour market similar to all others? Many programs have been established in Canada. There was the fishing boat construction program, among others, a very important program created by this department under which fishermen could apply for direct grants to build their own boats. The same goes for the construction of wharves. If I may, Mr. Speaker, I should like to refer specifically to a very important program which has proved to be beneficial to all the residents of the Gaspé Peninsula, northwestern Quebec and the north shore of Quebec over the past year; it was set up in co-operation with the Department of Regional Economic Expansion which generously offered enough funds to improve the fishing facilities in our areas again to enable fishermen to indulge in a more congenial occupation and carry on their fishing activities safely.

The Department of Regional Economic Expansion transferred $10 million to the Department of Fisheries and Oceans to complete those harbour facilities. I recall that about a year ago I urged the Minister of Fisheries and Oceans and the Minister of Regional Economic Expansion (Mr. De Bané) to secure such funds because, under the standard criteria of the Department of Fisheries and Oceans and considering the volume of catches in our regions, we could not set aside enough money to complete those facilities when we were adversely affected by bad weather and physical considerations which were preventing us, with the money we did have, from building facilities large enough to allow protection from the existing hazards. In my constituency of Bonaventure-Îles-de-la-Madeleine alone, Mr. Speaker, we are going to spend $2 million this year only to build wharves. In Bonaventure, on the

mainland, we are going to build two wharves for a total of $500,000 coming from DREE's first envelope of $10 million, and in the Magdalen Islands, we will be in a position to allocate, for the building of wharves, $1.5 million transferred from another DREE program jointly with the Department of Fisheries and Oceans, and I will revert to this matter later if time permits.

Another important program, Mr. Speaker, that has enabled those fishermen to achieve profitability is the one promoting quality. My colleague from Manicouagan (Mr. Maltais) said earlier that last week a most important symposium on quality was held in Matane. Again, this government has made tremendous efforts to try and improve the quality of our fish. It goes without saying that with depleting stocks, fishermen must be made aware that the higher the quality, the higher the prices and the lesser the need to catch more fish. Under this program, we experimented with new plastic bins and we also tried to improve the cooling capacity of the fishing boats, these measures have vastly improved the quality of the fish.

Unfortunately, for this program the federal government did not receive from one sector all the co-operation it could have. I am talking of course of the Quebec government which, unfortunately does not seem to pay all the attention it should to the fishermen of the province. As has become increasingly obvious in the last few weeks, Mr. Speaker, the government in power in Quebec seems to be acting over the heads of people and putting political ideology above the interests of the people it was elected to govern. At a time when the government of Canada takes extraordinary measures to try and improve the quality of our fish and of the fishing facilities, that government increases unashamedly the price for bait, for ice, which fall under provincial responsibility, and also for fishing gear. So we hope, Mr. Speaker, that the government of Quebec will put ideologies aside and will, this time, work in the interests of the people.

Before closing off, Mr. Speaker, as I see my time is running out, I would simply like to say that the program I was just talking about, and which is applied in Newfoundland in the area of community development projects, allows fishermen who are out of work, for the reasons we already know, to work the required number of weeks to be eligible for unemployment insurance. In the riding of Bonaventure itself, we will set up this year an important $275,000 program and we will also use substantial funds from the Department of Fisheries and Oceans in order to provide the materials required and create jobs for these fishermen and especially to improve port facilities which otherwise could not be improved. Contrary to what this opposition motion suggests, I believe this government and the Minister of Fisheries and Oceans are intent on protecting Canadian fishermen and providing them with the means necessary, as I indicated before, for a decent life and an adequate salary, like all their fellow Canadians.

● (1650)

[*English*]

The Acting Speaker (Mr. Blaker): It being five o'clock, it is my duty to inform the House that, pursuant to Standing Order 58(11), proceedings on the motion have now expired.

Therefore, on the proviso that all hon. members present and the one hon. minister present have a very good weekend, this House now stands adjourned until Monday at two o'clock, pursuant to Standing Order 2(1). Good evening.

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

HOUSE OF COMMONS

Monday, December 7, 1981

The House met at 2 p.m.

• (1405)

ROUTINE PROCEEDINGS

[*English*]

FINANCE

TAXATION OF DISCOUNT BENEFITS GRANTED TO RETAIL SALES EMPLOYEES—MOTION UNDER S.O. 43

Mr. Chuck Cook (North Vancouver-Burnaby): Madam Speaker, I rise on a matter of urgent and pressing necessity under the provisions of Standing Order 43. The government has decided to discriminate against all retail sales employees by taxing the long-standing purchase discount benefits offered by their employers, which inevitably means an increase in consumer prices at a time when this country can least afford it. Therefore I move, seconded by the hon. member for Calgary North (Mr. Wright):

That this House condemn this arbitrary and totally unfair taxation and inflation-fuelling policy which will hurt all retail employees and all Canadian consumers.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

THE ADMINISTRATION

THINKING BEHIND GOVERNMENT POLICIES—MOTION UNDER S.O. 43

Mr. Gordon Taylor (Bow River): Madam Speaker, the Liberal government is all mixed up. The Liberals reward Governor Bouey for raising bank interest rates by increasing his salary to over $100,000. The same government "rewards" the farmers who produce the food to feed Bouey and the rest of us by cutting their capital cost allowance in half, providing too little for the Farm Credit Corporation to even begin to meet the needs, and enacts budget provisions that make it impossible for farmers who have been working 40 and 50 years to retire. Therefore I move, seconded by the hon. member for Prince George-Bulkley Valley (Mr. McCuish):

That this House recommends that the Minister of Finance and the Prime Minister of Canada be referred to the best psychiatrists available to ascertain if this twisted thinking can be cured before the whole country goes down the tube.

I will personally pay the costs if a cure can be found.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

EXTERNAL AFFAIRS

EXPRESSION OF CONCERN ABOUT TREATMENT OF ANDREI SAKHAROV BY U.S.S.R. AUTHORITIES—MOTION UNDER S.O. 43

Hon. Flora MacDonald (Kingston and the Islands): Madam Speaker, my motion concerns the fate of the Soviet dissident Andrei Sakharov. I move, seconded by the hon. member for Simcoe North (Mr. Lewis):

That this House express its grave concern to the Soviet authorities about the reported forced hospitalization and treatment being accorded to Nobel Peace Prize winner Andrei Sakharov, and his wife, both of whom are on a hunger strike, and further, that the House consider this action and the refusal of the Soviet authorities to permit their son's wife to join her husband in the United States, to be violations of human rights as set out in the Helsinki Final Act.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Madam Speaker: Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to.

* * *

BANK OF CANADA

INCREASE IN SALARY OF GOVERNOR—MOTION UNDER S.O. 43

Mr. Ian Deans (Hamilton Mountain): Madam Speaker, in light of statements attributed to the Governor of the Bank of Canada that the high level of the minimum wage contributes to inflation, and in light of the fact that the recently announced salary increase of the governor exceeds the yearly level of the minimum wage, I move, seconded by the hon. member for Selkirk-Interlake (Mr. Sargeant):

S.O. 43

That the governor be invited to live for 12 months on only his increase in salary and that he then prepare a submission for Parliament on his views regarding inflation and minimum wage earners and, failing this, that he be asked to resign.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

THE ECONOMY

RESPONSIBILITY FOR HIGH INTEREST RATES—MOTION UNDER S.O. 43

Mr. Bill Wright (Calgary North): Madam Speaker, in an interview last Thursday the Prime Minister stated that the blame for high interest rates lies with the banks, the market economy, and individuals who want good returns on their Canada Savings Bonds, not his government. What he should have said was that interest rates are determined by the government's Bank of Canada rate, the government's Bank of Canada control over treasury bill prices, and government borrowings. I move, seconded by the hon. member for Bow River (Mr. Taylor):

That the government admit that it alone is responsible for high interest rates.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

● (1410)

GOVERNMENT OF CANADA

RESIDENCE OF GOVERNOR GENERAL—MOTION UNDER S.O. 43

Mr. Bill Domm (Peterborough): Madam Speaker, recent reports have indicated the regrettable and shameful fact that the Lieutenant-Governor of Saskatchewan has, as his official vice-regal residence, two rooms in a downtown Regina hotel, where he finds it increasingly difficult to accommodate his wife, and he feels that he may not be able to offer appropriate quarters to the Queen on her next visit. I move, seconded by the hon. member for North Vancouver-Burnaby (Mr. Cook):

That this House assure the Governor General of Canada and Mrs. Schreyer that no notion is being entertained of transforming Rideau Hall into a heritage tourist attraction and thus requiring that he and his wife move into furnished rooms in a downtown hotel.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

THE BUDGET

EFFECT OF TAXATION PROVISIONS—MOTION UNDER S.O. 43

Mr. Thomas Siddon (Richmond-South Delta): Madam Speaker, given the claim of the November 12 budget that 12 million Canadians will realize federal income tax reductions amounting to $2.4 billion, yet total federal revenues are projected to increase by more than some $9 billion in the same period, I move seconded by the hon. member for Don Valley West (Mr. Bosley):

That the Minister of Finance be directed by this House to admit that more than $10 billion of new federal revenues for 1982 will come one way or another from every Canadian consumer in the form of cunningly disguised energy taxes, increased federal sales taxes, inflated prices due to taxes on production and other concealed surtaxes, all of which will be especially damaging to low and middle income Canadians who will face an over-all federal tax burden of more than $400 per capita or almost $2,000 for the average family of four.

Madam Speaker: Is there unanimous consent for this motion.

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

[*Translation*]

HAZARDOUS SUBSTANCES

UREA FORMALDEHYDE FOAM INSULATION—COMPENSATION TO HOME OWNERS—MOTION UNDER S.O. 43

Mr. Terry Sargeant (Selkirk-Interlake): Madam Speaker, I rise on a matter of urgent and pressing necessity under the provisions of Standing Order 43.

Whereas tests conducted by the federal government have revealed that about 40 per cent of the homes insulated with urea formaldehyde foam constitute a serious health hazard, and whereas the Minister of Consumer and Corporate Affairs (Mr. Ouellet) has acknowledged the government's moral responsibility in this matter, I move, seconded by the hon. member for Churchill (Mr. Murphy):

That the minister provide immediate assistance to these victims of a negligent government.

Madam Speaker: Under the provisions of Standing Order 43, this motion requires the unanimous consent of the House. Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

[*English*]

THE BUDGET

SUGGESTED CANCELLATION OF PROVISIONS AFFECTING LIFE INSURANCE POLICIES

Mr. Stan Darling (Parry Sound-Muskoka): Madam Speaker, I rise under the provisions of Standing Order 43 on a matter of some urgency. One of the many areas in which the recent federal budget creates undue and unwarranted hardship for Canadians is that of tax penalties related to life insurance policies. Under the terms of the budget, a policyholder would be required to report accrued investment income on the policy or annuity every three years, even though no income is actually received. I move, seconded by the hon. member for Simcoe North (Mr. Lewis):

That the Minister of Finance, having recognized the misguided advice he received from department officials and having thus changed parts of his budget, now take immediate steps to cancel this insane tax measure with respect to life insurance policies.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

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MINES AND MINING

CALL FOR INQUIRY INTO PROPOSED SHUTDOWN OF MINE AT URANIUM CITY, SASK.—MOTION UNDER S.O. 43

Mr. Doug Anguish (The Battlefords-Meadow Lake): Madam Speaker, I rise on a matter of urgent and pressing necessity under Standing Order 43. I move, seconded by the hon. member for Humboldt-Lake Centre (Mr. Althouse):

That this House support a full-scale inquiry into the proposed shutdown of Eldorado Nuclear's uranium mine and mill at Uranium City before any further action is taken towards the shutdown of that operation.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

• (1415)

ORAL QUESTION PERIOD

[*English*]

THE BUDGET

TAXATION OF DISCOUNT BENEFITS RECEIVED BY RETAIL SALES EMPLOYEES

Mr. Chuck Cook (North Vancouver-Burnaby): Madam Speaker, my question is directed to the Minister of Finance.

The minister's budget papers indicate that he intends to include in taxable income any discount received by a retail sales person on the purchase of goods from the retailer. This policy means that every retail sales person must now receive a higher salary, which will then be passed on to the consumer. Will the minister reconsider this budget provision, as it will only contribute to inflation?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, the hon. member has asked me to consider his representations. As I have said on previous occasions in the House, I have been listening to many representations since the presentation of the budget. I would be happy to include his particular aspect in that review.

EFFECT OF EMPLOYEE DISCOUNTS ON PRICES

Mr. Chuck Cook (North Vancouver-Burnaby): Madam Speaker, I am sure that the hundreds of thousands of retail employees across the country, and particularly retired ones, will keep the minister's answer in mind the next time they go to the polls. My supplementary question is a simple one. Does the minister not realize that employee discounts have kept down prices in department stores for decades?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, when the hon. member presents a question which is not rhetorical, I would be glad to answer it.

REQUEST THAT POLICY BE CHANGED

Mr. Chuck Cook (North Vancouver-Burnaby): Madam Speaker, it may be a first for the parliamentary telecast. I should point out that special arrangements have been made in all Woodward's department stores in Alberta and British Columbia in order that they could hear the answers this minister is giving to these questions. The Retail Council of Canada pointed out that 1,500,000 retail employees are affected by this budget proposal. If we include families, why will the minister not reassure over 5 million Canadians that he will change this horrendous, unfair budgetary policy which affects all Canadians?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I think the hon. member ought to be a bit more certain about his facts before he lets out all these dire prophecies to the employees of these companies. What I have said in my budget is that certain taxable benefits were to be considered and that administrative arrangements would be made by the Minister of National Revenue. Until these are made available, I do not think the hon. member ought to raise fear in the way that he is doing.

Oral Questions

BANK OF CANADA

EFFECT OF ACTION ON INTEREST RATES

Hon. Michael Wilson (Etobicoke Centre): Madam Speaker, one of the principal causes of the slowdown in retail sales which we have suffered in the past few months has been the very high interest rate policy followed by the government. Last week, following its monetary policy, the Bank of Canada clearly took specific action in the marketplace to maintain interest rates at current levels, or possibly even to push them higher. Since high interest rates are the single most important factor in causing the current recession, record bankruptcies and high mortgage rates, why did the bank take the action of attempting to force interest rates higher?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, obviously the purpose of the government is to achieve a lowering of interest rates. As the hon. member realizes, in the past several months there has been a rather rapid decline in interest rates. We have the lowest rates now since a year ago.

Some hon. Members: Oh, oh!

Mr. MacEachen: The hon. member referred to the operations of the Bank of Canada last Thursday, presumably at the treasury bill operation.

Mr. Wilson: Through the week; through the week.

Mr. MacEachen: I have not discussed the day-to-day operations of the Bank of Canada. It is not my intention to carry out the functions of the Governor of the Bank of Canada, but clearly it is the intention of the governor, as well as it is the intention of the government, to bring about as rapid a decrease in interest rates as can be justified in current inflationary circumstances. As the hon. member knows, the basic thrust of the budget was to provide some support for the decline in interest rates through very substantial reduction in our financial requirements, and thereby reduce pressures on the market and give some rather important signals to the community that we were serious about reducing inflation. That is the basic thrust of the budget. It is intended to support a decline in interest rates over time.

* * *

● (1420)

BANKS AND BANKING

REQUEST FOR REFERRAL TO STANDING COMMITTEE

Hon. Michael Wilson (Etobicoke Centre): Madam Speaker, my supplementary question is also for the Minister of Finance. Last week we had the Governor of the Bank of Canada saying that he was responsible for interest rates. Later in the week the Prime Minister said that the high interest rates were the fault of Canadians. Because there is obviously some confusion between the two parts of the government, because there is some very major concern on the part of Canadians over the very high bank profits announced in the past week, would the minister explain to the House why he will not refer the matter of interest rates and bank profits to the Standing Committee on Finance, Trade and Economic Affairs for a full review of these two very important factors?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I will give consideration to the hon. member's representations. He is suggesting that the question of bank profits and interest rates be referred to the standing committee. That is a matter to which I will give consideration because I believe that the question of bank profits in particular is one that ought to receive, certainly, the scrutiny of the House of Commons. It has been receiving that scrutiny on a daily basis by questions in the House. It is a matter of concern in the present circumstances. I will be glad to consider whether that particular question should be referred to the committee.

Mr. Clark: And interest rates too. The minister nods.

* * *

HOUSING

NUMBER OF FAMILIES PAYING INCREASED MORTGAGE PAYMENTS

Mr. Edward Broadbent (Oshawa): Madam Speaker, my question is for the Minister of Public Works who is in charge of housing. The last thing the people of Canada want at this point is a committee looking into bank profits; they want an excess profits tax to be levied and the money used for housing.

On Friday the Minister of Finance once again showed that he did not take housing as a serious problem. This was followed on Saturday in Thunder Bay by a spokesman for the housing industry who appeared before the NDP task force on the economy, saying, "Somebody is pulling the wool over our eyes," referring to the statements of the minister and others. That same businessman noted that in Thunder Bay alone there were more than 60 homes up for sale, subject to power of sale. Although those families do appear in statistics, will the minister admit that there are thousands of other families in Canada who have to pay $200 or $300 or more in increased mortgage payments now, who do not show up in statistics nor do they get any benefit from the government's budget?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, this morning I had the opportunity to discuss these very concerns with the minister of housing for the province of Ontario. He was responsive to the initiatives that were taken by the Minister of Finance in setting aside $350 million for the next two years through the budget which would, first of all, assist people faced with mortgage renewal problems who had difficulty after they had to put a fair amount of their income toward mortgage renewal. The officials and the minister of housing for this province felt that would be of assistance to

many families at this time, Thunder Bay being one of the cities affected.

On the second point of interest rates, there is no question that the reduction in interest rates over the last five to seven weeks has made it much easier for people to meet increased interest rates over and above those that pertained when they took out the mortgages they are now seeking to renew.

REQUEST THAT EXCESS PROFITS TAX BE LEVIED ON BANKS TO PROVIDE HOUSING FUNDS

Mr. Edward Broadbent (Oshawa): Madam Speaker, the minister's answer provides not one bit of benefit for the 60 families in Thunder Bay. That is the first point. Second, he did not answer the question that, notwithstanding the slight drop in interest rates, in my judgment, and in the judgment of those with expertise, outside the House of Commons and the industry, we are still left with thousands of families who are suffering because they have to increase their monthly mortgage payments. The minister did not deal with that. However, I would like to ask him another question.

● (1425)

Considering that the final bank profits are now in, and they are up $1.7 billion, will the minister take some reasonable action and speak to the Minister of Finance and request that we have fair taxes for the banks; and specifically considering the fact that if their profits were at the same level at which they were last year, we would have $700 million in additional revenue which we could use for housing, will he request the Minister of Finance to levy an excess profits tax to get that $700 million from the banks and put it into housing?

Some hon. Members: Hear, hear!

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, the Minister of Finance has already indicated, subsequent to the introduction of the budget, that he believes the banks can do more to assist Canadian home owners, even with the provisions introduced in the budget which are taken for granted. As I have indicated, there has been an allocation of $350 million toward meeting mortgage renewal difficulties and toward stimulating new rental construction. I believe that, as well. I know that some of the banks, for example, have come up with mortgage renewal plans that will cost the banks some few millions of dollars. I would hope that the industry, including the trust companies which, by the way, have a larger portfolio in mortgages for home owners than do the banks, and all other financial institutions, including credit unions, could be more flexible and could allocate on a voluntary basis a larger proportion of their portfolios toward solving the problems of home owners.

Some hon. Members: Hear, hear!

QUERY RESPECTING PROVISION OF ASSISTANCE TO HOME OWNERS

Mr. Edward Broadbent (Oshawa): Madam Speaker, I will try asking a question of the Minister of Finance. I say to the minister, first of all, that some 150,000 Canadian families renewed mortgages at the excessive rate of 23 per cent in August, September and October. As a result of that interest level, the banks are currently taking in an additional $20 million a month from these families. A short time ago the minister promised he would do something about these Canadians who have been particularly badly hit. Today, will he tell us one plan of action or one specific proposal that he intends to bring forward to the House to help these people who are going seriously into debt?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, the same question was raised some days ago by the House leader of the New Democratic Party, and at that time I said that I intended to have that matter referred to the group which was established by the government to maintain consultation with the Canadian banks. That is the follow-up that I am taking in order, if possible, to assist those particular home owners caught in that period of very high interest rates.

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HOUSE OF COMMONS

PRESENCE IN GALLERY OF LAW ENFORCEMENT MINISTERS OF THE PROVINCES

Madam Speaker: I would like to draw the attention of the House to the distinguished presence in our gallery of the law enforcement ministers of the provinces who are attending a conference in Ottawa and who have honoured us with their visit.

Some hon. Members: Hear, hear!

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CANADA POST

COST OF MAILING MUNICIPAL PUBLIC UTILITY BILLS

Mr. Bud Bradley (Haldimand-Norfolk): Madam Speaker, my question is directed to the minister responsible for the Canada Post Corporation. The minister will be aware that the corporation proposes to force municipalities to send their public utility bills via first class mail at the planned 30 cent rate. These are bills which, in the past, have been delivered either by their own employees or by organizations such as Boy Scouts or Girl Guides for 9 cents to 10 cents per unit. This represents a 200 per cent increase in the cost of delivering these bills.

Is the minister not aware of the tremendous cost burden that this will place on these municipalities at a time when all levels of government are reducing their assistance to municipalities?

If he is aware, is he prepared to take some steps to correct this injustice?

[*Translation*]

Hon. André Ouellet (Minister of Consumer and Corporate Affairs): Madam Speaker, the Canadian Post Office has always had exclusive responsibility for carrying the mails in Canada. When we considered the Canada Post Corporation Bill, this matter was discussed at length and all aspects were carefully examined. Examples such as the one just given by the hon. member were raised at the time and were discussed and dismissed. I should also like to remind the hon. member that this bill was passed unanimously by the House, all members present on both sides of this House approving the bill.

● (1430)

[*English*]

EFFECT ON SMALL COMMUNITIES

Mr. Bud Bradley (Haldimand-Norfolk): Madam Speaker, I could see a step being taken to force the municipalities to do so at the 17-cent level, which would not be such an immediate burden to them, but to enforce something which has not been enforced in the past and at the same time to increase the rate to 30 cents is something which is not acceptable and cannot be carried by these municipalities.

The proposal that large municipalities can pre-sort in excess of 5,000 bills and thus pay a reduced rate of 21 cents whereas small communities with less than 5,000 subscribers have to pay the full 30 cents, is somewhat puzzling. Surely they can sort 1,000 letters in small post offices as easily and as quickly as 5,000 in larger ones. Does the minister not feel that this is an act of further discrimination against small communities that do not have 5,000 subscribers, and will he take some steps to correct this?

[*Translation*]

Hon. André Ouellet (Minister of Consumer and Corporate Affairs): Madam Speaker, I feel it is not a matter of cost but of principle as to whether or not carrying the mails is to be the exclusive privilege of the Canadian Post Office. And as soon as we make any exceptions to this rule, it is obvious that only profitable routes would be attractive to private businesses, so that in remote areas of Canada, mail services would have to be provided by the Canadian Post Office. Now, in order to guarantee and protect postal services in the smaller municipalities, we must keep our exclusive rights in cities where the volume is much larger, so that the Canadian Post Office may collect sufficient revenue in order to provide the same level of service in all parts of Canada.

[*English*]

THE BUDGET

EFFECT ON CAPE BRETON MINERS MOVING TO BRITISH COLUMBIA

Mr. Bill Wright (Calgary North): Madam Speaker, my question is for the Deputy Prime Minister and Minister of Finance. A number of unemployed coal miners from Cape Breton have been offered jobs in Fernie, B.C., to commence February, 1982. They accepted these jobs on condition they receive a housing subsidy, but this now becomes a taxable benefit under the minister's budget. The employer is concerned that many of these miners will now decide not to move. Can the minister tell the House whether he is planning any changes to his budget to encourage these miners to accept these jobs and thus gain employment?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I thank the hon. member for drawing my attention to this particular case. When I have any announcements to make about any adjustments, I will be letting the House know.

Mr. Dick: How soon?

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THE DISABLED AND THE HANDICAPPED

DESIGNATION OF MINISTERIAL RESPONSIBILITY

Mr. Peter Lang (Kitchener): Madam Speaker, my question is for the Prime Minister. An article in the *Toronto Star* this past weekend stated that in the near future a minister would be designated to co-ordinate the government's efforts and the government's response with regard to the report of the Special Committee on the Disabled and the Handicapped. Can the Prime Minister advise the House whether he is in a position to announce which minister will take the responsibility of co-ordinating the government's efforts in this regard?

Right Hon. P. E. Trudeau (Prime Minister): Yes, Madam Speaker. I have asked the Secretary of State to study the excellent report of the committee presided over by the hon. member for Don Valley East. Various government departments now are seeking ways in which it can be implemented and the Secretary of State will ensure the co-ordination of that work. The Minister of Justice is also involved in the study of amendments which might be required to various statutes so as to try to make the disabled more equal members of society.

Some hon. Members: Hear, hear!

INDUSTRY

REQUEST THAT BRANTFORD ONT. BE DESIGNATED UNDER INDUSTRY AND LABOUR ADJUSTMENT PROGRAM

Mr. Derek Blackburn (Brant): Madam Speaker, my question is for the Minister of Finance. Given the fact that the city of Brantford is presently experiencing one of the most severe unemployment crises in Canada, with general unemployment soaring to 17 per cent and as high as 23 per cent in the manufacturing sector, can the minister, as the chairman of the cabinet committee on ILAP, tell the House if he is presently considering Brantford as a community for designation under the program? If Brantford is designated, could the minister ensure that the financial commitment is such that the community, so depressed by massive lay-offs in the agricultural implement sector and related industries, will benefit more in immediate job creation than the earlier ILAP grants to Windsor and Sept-Îles?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I am aware of the situation that exists in the city of Brantford. I have had correspondence, and my staff, I believe, has had meetings with representatives of the city. I want to say that it is one of a number of communities which is presently under consideration for possible assistance under ILAP.

QUERY RESPECTING MEASURES TO CREATE JOBS

Mr. Derek Blackburn (Brant): Madam Speaker, my supplementary question is for the Minister of Employment and Immigration, but he is absent today. Therefore I will put my question to the Minister of Industry, Trade and Commerce. Can the minister tell the House what progress has been made as far as he is concerned in designating Brantford under ILAP? Also, what measures is the minister contemplating to create immediate jobs for the thousands of workers who are laid off in Brantford and whose unemployment insurance benefits have either run out or will run out in the next few weeks, thus adding tremendous financial strain and burden on those thousands of families in Brantford and district?

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Madam Speaker, as the Minister of Finance has said, the city of Brantford is one of a number of communities being actively considered for possible designation under the Industry and Labour Adjustment Program. With respect to the current situation in Brantford, I hope that my hon. friend and the community will recall the steps we took to help ensure the continuing operation of both White Farm and Massey-Ferguson. Without the active intervention of the federal government in co-operation with the government of Ontario, both firms would not be there today to provide the employment they are providing and to provide a basis for a return to work as the American and other markets improve in the coming months.

With respect to the plight of those whose unemployment insurance is expiring, I am sure that the Minister of Employment and Immigration will soon be announcing the forthcoming winter segment of the Canada Community Development Program which will provide an opportunity for employees in communities such as Brantford to get short-term direct employment, and assist them to requalify for unemployment insurance. This is being done while the government is actively looking at the possibility of designating Brantford under the Industry and Labour Adjustment Program. The situation there and in other communities with similar difficulties is one we consider to be very serious, and we are looking at in a most serious fashion.

Mr. Broadbent: Would you repeat that answer?

CONSOLIDATED COMPUTER INC.—REQUEST FOR REFERRAL TO STANDING COMMITTEE

Mr. Paul Dick (Lanark-Renfrew-Carleton): Madam Speaker, my question is addressed to the President of the Treasury Board. First, I have to compliment the Minister of Industry, Trade and Commerce for having recently announced the sale of Consolidated Computer, for a loss by the way of $91 million to the federal government. As the President of the Treasury Board is so concerned about the government loss of money that he is having an internal inquiry in his department, I ask him whether he will refer this matter to one of the standing committees so that we can have a public inquiry to find out why the government lost $91 million in this venture.

Hon. Donald J. Johnston (President of the Treasury Board): Madam Speaker, this question is not unlike one I responded to last week posed by the hon. member for Mission-Port Moody. We would have no objection whatever to one of the standing committees looking into this matter. It seems to me it might be something which the Public Accounts Committee might want to take on. We have indicated also we would have no objection to making the results of our own investigation public. If that is of any interest to the Chairman of the Public Accounts Committee, the hon. member for Vancouver-Quadra, then the hon. member might direct the question to him.

MICROSYSTEMS INTERNATIONAL—REQUEST FOR REFERRAL

Mr. Paul Dick (Lanark-Renfrew-Carleton): Madam Speaker, I have a supplementary question. In 1975 I requested the government to launch an inquiry into why it lost $38 million in Microsystems International. That was not done at the time. Since these are related industries in the computer field, I was wondering whether the President of the Treasury Board would refer that matter as well, because we do not want these things to continue, and maybe there could be some help and some direction given to the officials.

• (1440)

Hon. Donald J. Johnston (President of the Treasury Board): Madam Speaker, hon. members will know that a great deal has happened in government since 1975 in terms of improved accountability, improved internal audit, and

improved controls. Hon. members of this House I hope are interested in assuring that taxpayers receive value for their money. If there are any lessons to be learned from these past experiences we will be most grateful. That is why, as I said, we certainly have no objection whatsoever to the Public Accounts Committee on its own initiative looking into the CCI matter. The other matter can also be addressed by the Public Accounts Committee, I presume, but, as I say, since 1975 so many reforms have taken place I hope that kind of problem will not arise again.

* * *

THE BUDGET

EFFECT ON SENIOR CITIZENS HOLDING LIFE INSURANCE POLICIES

Hon. Flora MacDonald (Kingston and the Islands): Madam Speaker, my question is directed to the Minister of Finance. I am concerned about the impact of the budget on older men and women who for many years have owned permanent cash value life insurance. Many find that they have insufficient income in their later years and they use the cash value of their policies to purchase annuities to supplement their retirement income. Because the budget proposes to increase the disposition cost retroactively, it would appear that older people will have to pay more tax and, therefore, will have less money available for their retirement income. Is it the minister's intention to decrease the retirement income of senior citizens, as the budget measure proposes and, if that is not his intention, what is it?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, to be brief, the answer to the first question is no, and to the second part of the question the answer is, to establish a greater sense of fairness in the tax system.

USE OF CARS FOR BUSINESS PURPOSES

Hon. Flora MacDonald (Kingston and the Islands): Madam Speaker, 80 per cent of these people who purchased these life insurance policies in the first place earned less than $30,000 a year, and are the ones who are going to suffer as a result of this measure.

My supplementary question to the minister concerns a phone call made by the Parliamentary Secretary to the Minister of Finance to one of my constituents on Friday afternoon. My constituent was told that the government is now discussing the budget measure which imposes a new tax on those who must use their cars almost exclusively for business purposes, and he was told "we will have to make provision for such people". Since I presume the parliamentary secretary was speaking on behalf of the government, I should like to know what provision the government is making for these employees, sales persons and others, who use their cars primarily as mobile offices.

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I find it surprising that a private telephone call between the parliamentary secretary and some unidentified citizen is now the basis of a question in the House of Commons. I will be glad to find out from the parliamentary secretary what was actually said, before I answer the hon. member's question.

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EXTERNAL AFFAIRS

INVITATION EXTENDED TO MR. IVAN HEAD TO ADDRESS SOVIET INSTITUTE OF THE U.S.A. AND CANADA

Mr. Donald W. Munro (Esquimalt-Saanich): Madam Speaker, I have a question for the Secretary of State for External Affairs, who may be behind the curtains. If he is not coming in perhaps I could address my question in his absence to—

An hon. Member: He is coming in.

Mr. Munro (Esquimalt-Saanich): Madam Speaker, the Secretary of State for External Affairs, in reply to a question on Friday, indicated to me that Mr. Ivan Head, who was at the time the Prime Minister's foreign policy adviser, had been invited to speak before a group in Moscow at the Soviet Institute for U.S.A. and Canada, and that no other Canadian had been invited to attend that particular meeting. Will the minister indicate to me how it was that this invitation came to be extended to Mr. Head, and why it was that there were no other Canadians at the meeting?

Hon. Mark MacGuigan (Secretary of State for External Affairs): Madam Speaker, that was somewhat before my arrival on the scene. I will have to take that question as notice, and undertake to get an answer for the hon. member.

REQUEST FOR REPORT ON 1977 MEETING

Mr. Donald W. Munro (Esquimalt-Saanich): Madam Speaker, perhaps I might direct my supplementary question to the Prime Minister since he was in office at the time in 1977 when Ivan Head was the foreign policy adviser to the Prime Minister and spoke to the Soviet Institute for the U.S.A. and Canada in Moscow, without any other Canadians being there. Did the Prime Minister receive a report following that particular meeting, and what was the nature of that report, if he is prepared to let us have it?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I cannot recall, but it seems to me that this question period is reserved for urgent questions, and if this one goes back to 1977 I would think the proper way to ask it would be to place it on the Order Paper.

THE DISABLED AND THE HANDICAPPED

PLANS TO CO-ORDINATE GOVERNMENT'S RESPONSE TO REPORT OF SPECIAL COMMITTEE

Mr. Jim Schroder (Guelph): Madam Speaker, I was pleased to hear the Prime Minister's response that the Secretary of State is to be responsible with regard to disabled persons. Is the Minister of State in a position to advise the House of his plans to co-ordinate the government's response to the report of the Special Committee on the Disabled and the Handicapped?

Hon. Gerald Regan (Secretary of State): Madam Speaker, basically the responsibilities I have been given are those of co-ordinating the responses of the various departments and agencies of the government to the recommendations contained in the "Obstacles" report. Each department will be responsible for its responses to the particular recommendations. I might say that my role is that of co-ordinator.

If I might be permitted, I should like to add that the Minister of National Health and Welfare is today speaking at the United Nations General Assembly debate on the International Year of Disabled Persons to report on Canada's progress in response to the needs of disabled persons in Canada.

* * *

MINES AND MINING

ANNOUNCED SHUTDOWN OF MINE AT URANIUM CITY, SASK.

Mr. Doug Anguish (The Battlefords-Meadow Lake): Madam Speaker, I would like to direct a question to the Minister of Energy, Mines and Resources regarding Eldorado Nuclear's announced shutdown of the Beaverlodge Mine at Uranium City. I hope the minister realizes that this will not only allow Eldorado Nuclear to throw 830 some odd people out of work, but will affect the contractors, as it were, in regard to that mine and mill operation, as well as the total community of 3,000 people who will be left without a source of livelihood. What consultation was there between Eldorado Nuclear and or the minister's department, the municipal corporation of Uranium City, the employees of the mill and the mine, and the union at Uranium City?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, concerns expressed by members of the NDP would carry a little bit more weight if, at their 1981 national convention, they had not passed a resolution which reads in part as follows, "that the NDP supports the phasing out of existing nuclear projects, including uranium mining".

Some hon. Members: Oh, oh!

Mr. Lalonde: I would hope that the NDP would be a little bit more consistent in its position.

As far as the question raised by the hon. member is concerned, as I indicated last week, indeed I was advised a few weeks ago of the intention of Eldorado Nuclear to close the mine as it is impossible to operate this mine in current circumstances because of the fact that the ore is diminishing.

● (1450)

As a matter of fact I refer the hon. member to the statement made to the Saskatchewan New Democratic Party energy minister who said, and I quote, "All mines eventually run out of ore and must close." This being said, we have taken extra steps to try to ensure that this closing will take place in the most humane and in the most accommodating way for the people concerned. All departments which have responsibilities in this area have been invited to co-operate, and we have received the assurance from the government of Saskatchewan of full co-operation in order to take care of this regrettable situation.

ATTENDANCE OF ELDORADO NUCLEAR OFFICIALS AT STANDING COMMITTEE MEETING

Mr. Doug Anguish (The Battlefords-Meadow Lake): Madam Speaker, I don't know how the minister can make such a mockery of such a serious issue as closing down a community of 3,000 people.

Some hon. Members: Oh, oh!

Mr. Anguish: If the NDP were to close down a mine, we would certainly make sure that the people were taken care of first.

Some hon. Members: Hear, hear!

Mr. Anguish: I would like to know how the minister can justify the closing down of one operation in the nuclear cycle while another is intended to be subsidized in eastern Canada at hundreds of millions of dollars. I refer to the heavy water plants at Glace Bay and Port Hawkesbury. They are subsidized with hundreds of millions of dollars, with no foreseeable market for heavy water anywhere in the near future. I would like to know how the minister reconciles that.

Madam Speaker: Order, please. Question please.

Mr. Anguish: My question to the minister is: will he assure us that the officials of Eldorado Nuclear will be at the meeting tonight of the Standing Committee on National Resources and Public Works to answer questions that we have in regard to this serious problem?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, the mockery to the people of Canada is the kind of resolution that has been passed by the New Democratic Party convention in 1981. The mockery is for the hon. member to stand up in the house and take positions which are in full contradiction to the position of his own party across the country.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Lalonde: In response to the question raised by the hon. member, I invite him to read *Hansard* once in a while. I was in the House last week and I indicated that the officials of Eldorado Nuclear would indeed be before the committee tonight, if my hon. friend has any questions to ask.

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THE CONSTITUTION

STATEMENT MADE BY MINISTER OF JUSTICE ON ISSUE OF COMPENSATION TO PROVINCES

Right Hon. Joe Clark (Leader of the Opposition): Madam Speaker, my question is for the Prime Minister. The Prime Minister will know that over the weekend, and after the passage of the resolution in the House of Commons, the Minister of Justice said—and I believe I am quoting him correctly—the government was "still open to discuss" the final compensation issue. He also gave as his view that if the agreement of the province of Quebec could be secured to that matter, the agreement of the other nine provinces would be relatively easy.

Could the Prime Minister tell us, first of all, whether the Minister of Justice was stating a policy of the government in his responses, and second, whether there is any initiative which the federal government is considering to take now to bring the people of Quebec into the constitutional Accord before the constitutional resolution leaves Canada in the next few days?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, the answer to the last question is no, we are not taking any positive initiative now. The government has said, and the Minister of Justice and I have said, that the Constitution will still be amendable once it is in Canada. If there are reasonable solutions to problems which Quebec sees, we will discuss them in Canada among Canadians, as the Right Hon. Leader of the Opposition always said we should be doing. That is our position at this stage.

I think even the Leader of the Opposition was convinced last week that Mr. Lévesque would not sign anything with Canada. The Leader of the Opposition offered him a compromise on compensation, and another on language, I believe. The Leader of the Opposition, in his speech, said that he would really ask these questions of Mr. Lévesque—and I may be paraphrasing—to see whether Mr. Lévesque really believed in Canada or not. As the Leader of the Opposition knows, he got a negative answer from Mr. Lévesque on those proposals that he made.

It seems to me that we cannot now hold off the patriation of the Constitution and the intention of Canada to have an amending formula which will permit us to continue discussions between provinces, hopefully including Quebec.

THE DISABLED AND THE HANDICAPPED

RECOMMENDATION MADE BY SPECIAL COMMITTEE TO BRING DISABLED PERSONS UNDER PROTECTION OF CANADIAN HUMAN RIGHTS CODE

Hon. W. G. Dinsdale (Brandon-Souris): Madam Speaker, I have a supplementary question for the Secretary of State. May I congratulate him on assuming his new responsibilities for the disabled. It is an action that we on this side have been recommending for the past ten years. I would like to ask the Secretary of State, as my first question to him, what action is he contemplating on the two basic recommendations, at least the last of the two basic recommendations that our Special Committee on the Disabled made in respect to action which must be taken during the International Year of Disabled Persons if we are to establish credibility?

Because of the long delay in government action on behalf of the disabled, we suggested that Parliament Hill become completely accessible during the International Year of Disabled Persons. That has been accomplished. Prior to that, the disabled came through the garbage entrance.

Even more fundamental is the second recommendation that the disabled must be brought under the terms of reference of the Canadian Human Rights Code during the International Year of Disabled Persons. We have just three weeks to go. Will he be able to act upon that vitally important recommendation of the committee, which action is necessary if our credibility is to be maintained?

Hon. Gerald Regan (Secretary of State): Madam Speaker, I thank the hon. member for his question. I would like to pay tribute to him for his long-term and very sincere interest in this very difficult question.

Some hon. Members: Hear, hear!

Mr. Regan: At the same time may I acknowledge the extremely valuable work that has been provided by the hon. member for Don Valley East as chairman of the committee, and his continuing interest in this field.

Some hon. Members: Hear, hear!

Mr. Regan: I hope that both of these hon. members, and others, will be available to assist me in relation to the responsibility of co-ordinating responses to the recommendations. The hon. member is probably aware of the fact that the government has already acted upon 56 of the recommendations in the report. My officials are working on this issue, and I expect to be able to file a report on the government's achievements with regard to phase 1 of the recommendations before the Christmas recess.

I have recently undertaken the task of co-ordinating phases 2 and 3, and will be reporting in due course to the House with reference to those. I hope that the information which the hon. member has asked for will be well covered in the report that I will table before the Christmas recess.

REQUEST FOR INTRODUCTION OF LEGISLATION

Hon. W. G. Dinsdale (Brandon-Souris): I thank the hon. minister for his response and point out that the 56 recommendations that have been accepted are really the easy ones, and the one important recommendation now is to assure human rights to the disabled community before the year is ended. The reputation of our committee is dependent upon that. It was a most special committee, indeed. All seven members from all parties buried the partisan hatchet in the interest of the disabled during their international year.

Will the minister assure the House now that that legislation will be on the Order Paper, and perhaps he could work out an agreement to have passage of that legislation with minimal debate before the end of the International Year of Disabled Persons?

Hon. Gerald Regan (Secretary of State): Madam Speaker, the hon. member may be aware of the fact that the Minister of Justice is studying the application of the particular recommendation and measure which he has mentioned. I will undertake to obtain more information on its present status from the Minister of Justice.

May I also say to him with reference to his remarks that some of the measures which have already been undertaken may be those that were the easiest for the government to respond to, I think that is the case with some of them. Obviously, there should be quick responses in those circumstances. In others, I think there were considerable difficulties which were overcome and that substantial progress has been made. Despite the hon. member's understandable zeal, he will realize that some of the recommendations which require physical alterations, and some which require changes in law and the expenditure of substantial amounts of money, will obviously take longer to meet than the easier ones. However, we are committed to moving forward very rapidly to meet all of these recommendations.

* * *

● (1500)

ROYAL CANADIAN MOUNTED POLICE

STATUS OF NEGOTIATIONS ON PROVISION OF SERVICES TO PROVINCES

Mr. Maurice Harquail (Restigouche): Madam Speaker, my question is for the Solicitor General. It has to do with the new federal-provincial agreement on RCMP services. I suspect it is an appropriate question today. Can the minister indicate to the House how the negotiations are progressing, especially with regard to services in New Brunswick?

Hon. Bob Kaplan (Solicitor General): Madam Speaker, I am glad to inform all hon. members that the RCMP contracts have been agreed to in principle by all of the provinces and territories which have been utilizing these services. A contract is being drafted. It has been signed by a number of provinces. A number of others are waiting only for drafting and a proper occasion at which both parties can meet and sign it. As to the particular question, I went to New Brunswick on Friday under the impression that there were some outstanding matters between the parties. I am glad to report there are none. The agreement is being drafted now and may well be signed before Wednesday.

ROUTINE PROCEEDINGS

[*English*]

THE DISABLED AND THE HANDICAPPED

Fourth report of the Special Committee on the Disabled and the Handicapped, in both official languages—Mr. Smith.

[*Editor's Note: For text of above report, see today's Votes and Proceedings.*]

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PETITIONS

MR. COOK—REQUEST FOR RECONSIDERATION OF BUDGET

Mr. Chuck Cook (North Vancouver-Burnaby): Madam Speaker, as is my duty as a member of this House, I wish to present a petition on behalf of the employees of Woodward's Stores Limited of Vancouver, British Columbia. The purpose of this petition, signed by 1,420 employees of the downtown Vancouver store, is to indicate to the government that the highly regressive measures introduced in last month's budget will increase their cost of living as employee productivity and retirement benefits will now be subject to taxation.

The nature of this petition is to demand that the government reconsider these punitive tax measures in order to restore the morale of all Canadians, to maintain the concept of rewards and incentives for employee productivity and to ensure that the members of Canada's work force are not rendered wards of the state.

The petitioners hope, Madam Speaker, that in your examination of their petition you will find the petition in order, sense the urgency and desperation of their plea and that you might use the discretionary power vested in your office to allow discussion and referral to committee at the earliest possible moment.

If I can bootleg one line, the Minister of Finance (Mr. MacEachen) suggested that I was causing concern among retail clerks. That is not true. This petition demonstrates that.

Madam Speaker: Order. That does not come under petitions.

Time Allocation

[*Translation*]

BUSINESS OF THE HOUSE

ALLOCATION OF TIME FOR THIRD READING STAGE OF BILL C-48—MOTION MR. LALONDE

Hon. Marc Lalonde (Minister of Energy, Mines and Resources) moved:

That, in relation to Bill C-48, an act to regulate oil and gas interests in Canada lands and to amend the Oil and Gas Production and Conservation Act, one additional sitting day shall be allotted to the consideration of the third reading stage of the bill; and that 15 minutes before the expiry of the time provided for government business on that day, any proceedings before the House shall be interrupted, if required, for the purpose of this order and, in turn, every question then necessary in order to dispose of the said stage of the bill shall be put forthwith and successively, without further debate or amendment.

He said: Madam Speaker, I have just presented a notice of motion concerning Bill C-48. This bill has been before the House for a whole year and I think that the situation could not be summarized more aptly than it was on December 11, 1980, almost a year ago today, by the hon. member for Etobicoke Centre (Mr. Wilson) who was the opposition energy critic at the time, in a statement he made regarding the tabling of this bill, and I shall quote Mr. Wilson in English:

[*English*]

This delay is shocking, Mr. Speaker. It is irresponsible to expect companies to operate in an environment when they have no idea what the ground rules will be . . .

This delay, going back to 1970, has cost Canada valuable years in reaching oil self-sufficiency. It is important that we get on with the job now.

That is what he said on December 11, 1980.

[*Translation*]

Madam Speaker, I must say the hon. member for Etobicoke Centre has never spoken wiser words. In fact, I have never objected to having any bills, and especially Bill C-48, being given detailed and attentive consideration by the members of this House. I have even encouraged such consideration and debate during the past year. Today, however, it seems to me that most if not all members of the House have had a chance to expound on this subject. According to our calculations, 235 members have spoken to this bill at various stages. For six months, the Committee on National Resources and Public Words held public hearings and considered amendments to the bill. We heard 140 witnesses during over 70 committee meetings which totalled over 130 hours. Hundreds of amendments to this bill were proposed and the government accepted about one hundred.

For the sake of comparison, Madam Speaker, I would like to remind the House that this bill has been discussed twice as long as the Foreign Investment Review bill and three times as long as the Bank Act bill. I feel that this gives us a good indication of the extent to which this very important bill has been considered by Parliament, and that, as the member for Etobicoke Centre on the opposite side said so eloquently, it is extremely important to proceed with its adoption. The Committee on National Resources and Public Works tabled its report in July. We started debate on the bill in July, and when the session resumed this fall, Bill C-48 was practically the only legislation for consideration before the House until the debate on the Constitution. In fact, we debated and voted on fifty-seven motions proposed by the government and the opposition, motions that had already been considered in committee.

Madam Speaker, granted, there is a time for consideration, reflection and study, but there is also a time for making decisions. Parliament is not exclusively engaged in contemplation. Furthermore, Parliament should not be prevented from deciding on the bills that are before it. There comes a time when decisions must be made. Parliament must decide on matters that are of primary importance to Canada. Bill C-48 is one of the main parts of the government's energy policy and the program for Canadianization of the oil industry in Canada. It must be obvious to everyone that we must decide now what is to happen in this respect. I feel that one year to consider a bill should be ample to allow all members of the House to make their positions known and to vote knowledgeably on this bill.

Therefore, I hope, Madam Speaker, that all members will agree that the House proceed without delay to adopt the bill on third reading, a bill that has received every necessary and reasonable consideration. I should like to point out that the government has been extremely patient and has shown every consideration for the wishes expressed by the opposition, both at the committee stage and during consideration of the bill in the House. I hope the members of this House will agree to proceed without delay to pass the bill on third reading.

• (1510)

[*English*]

Hon. Erik Nielsen (Yukon): I find it strange, Mr. Speaker, that this motion would be moved at a time when I am only half way through my speech with regard to the bill. I am not suggesting for a moment that the minister had anything personal in moving the motion at this stage, although I will say when he speaks of bringing the matter on, speaks of the length of the debate on the bill, that if the government had not been so singularly obsessed, in almost a paranoid fashion, with the constitutional debate and their eagerness to pass that resolution, we would have accomplished a good deal more in the House of Commons in connection with the economic ills of the country.

Some hon. Members: Hear, hear!

Mr. Nielsen: The minister belittles the stature of Bill C-48 as a bill, although he has admitted that it is one of the major components of a national energy policy. We have seen only the tip of the national energy policy, of which this bill is a part.

Closure in any form is a most reprehensible course of action for any government to take.

Some hon. Members: Hear, hear!

Mr. Nielsen: What it is doing is muzzling the opposition. What it would like to do, of course, since the Prime Minister (Mr. Trudeau) has described us all as nuisances—forty feet off the Hill we are nobodies—is to get rid of the opposition entirely. We are mere nuisances over here. To heck with any debate on subjects as important as Bill C-48. If the truth were known, the government would like to introduce this kind of measure on every single piece of legislation introduced to the House, notwithstanding our record of co-operativeness.

Some hon. Members: Oh, oh!

Mr. Smith: Whose record?

Mr. Nielsen: I was waiting for the jeers and the laughter from the government side. If they had done their homework, they would find that since this Parliament began we have come to agreement with them on 33 occasions with regard to dozens of pieces of legislation.

An hon. Member: Wonderful!

Mr. Nielsen: If they want, I can state them all for the record. How many times have these hon. members over there imposed closure? They take the cake. They would like to walk off with Parliament entirely; but they take the cake, the prize for imposing closure. In this session of Parliament they have invoked closure no less than eight times.

Some hon. Members: Shame.

Mr. Nielsen: That is an historical record. Never before in the history of the Canadian Parliament has any government muzzled the opposition on eight separate occasions.

An hon. Member: It is a reflection on the opposition.

Mr. Nielsen: They have done this twice by pure closure and six times by Standing Order 75C. That is a most shameful record. Rather than adopting this course, this arrogant government, instead of whining that we are speaking too much, should be adopting the open mind and attitude of obtaining suggestions from knowledgeable people, such as the hon. member for Calgary South (Mr. Thomson) and the hon. member for Calgary Centre (Mr. Andre), who know the oil and gas industry, I might add, a good deal better than the minister and his supporters on the other side.

That is why debate is important and why these members should not be muzzled by closure. It is not a question of the nature of the measure before us; it is a stigma that the government will not be rid of because of their propensity and obsession, every time they do not get their own way, for imposing closure. "We have heard enough", they say. "You have spoken enough; we do not want to hear you any more; now shut up." That is exactly what closure means. This government stands indicted for imposing closure more times on an opposition than any other in the history of the Parliament of Canada. They should be ashamed of that.

An hon. Member: They have no shame.

Mr. Nielsen: They have no shame is exactly right. They are too damned thick-skinned, arrogant and uncaring to have any shame about them.

Some hon. Members: Hear, hear!

Mr. Ian Deans (Hamilton Mountain): For a number of reasons we shall oppose the government's motion of closure. The problem in the House has to do with the way the members are not made aware of the program that the government intends to proceed with during the course of any one session.

There are some serious problems that go to the very root of the government's intention to use closure time after time. I suggested some months ago during a discussion similar to this that there were other ways to order the business and affairs of the House that would allow all of the members to be involved. I suggest again that that would be one of the more constructive approaches that we might take to avoid the need to use closure under Standing Order 75C on an occasion such as this.

We are asked to make a decision that enough has been said about a very important piece of legislation. It is not for me to decide, nor is it really for the government to decide, whether enough has been said, whether all that should be said has been said and every opportunity has been given to members so as to influence the course of affairs of the country in a constructive, sensitive and sensible way. While it may be possible for me from time to time to think that enough has been said on any one topic, I suggest that that does not necessarily mean that it is the considered judgment of the vast majority of the members of the House that that is true. There are times when topics are raised in the House that I frankly think, after the first speaker has spoken, that we have heard enough; but that does not mean that in truth that is the case.

I should like to suggest that once one starts to use closure—and I think this is where the hon. member for Yukon (Mr. Nielsen) is quite correct—with each attempt, with each usage, it becomes easier. Therefore, the test of whether or not every opportunity has been afforded all members to express their genuine concern on behalf of the people they represent becomes a test that, in essence, is not really applied equally or fairly in every instance.

I should like to suggest to the government one thing they might consider to avoid this kind of confrontation arising time after time. I believe at the beginning of every session members of the government, such as the House leader and perhaps others within that group who manage the affairs of the government for the House, should get together with the representatives of the official opposition and the NDP. Then they should sit down at the beginning of the session and go over the program for the particular session that the government anticipates it would like to see proceeded with and completed. We might then together prioritize that program in order to have our input in what areas we believe will be very controversial and how those areas can be best handled both in terms of the time allocated in the House and the time allocated in committee to deal with such matters.

● (1520)

This is not intended in any way to inhibit the government's right to proceed with other matters which from time to time arise. But it allows us to look in the over all at all matters to be considered by government, within reason, and then to make a determination as to which of those matters are likely to evoke the most debate, which of those matters are likely to create the greatest uproar, and which of these matters are likely to take the longest period of time. Then we could, together with the government, make an effort to establish an order which would allow the government to proceed with all its business. At the same time it would allow the opposition to review adequately in the House, in committee and if need be back in the House, as was the case with this particular piece of legislation, all ramifications of the legislation. If we are ever to get to that point, the need to use closure would be so infrequent that we would not likely see Standing Order 75C used at all for the balance of this Parliament.

I put to those who manage business for the government that it is not nearly good enough to manage business on the basis of one week to the next. One cannot expect people to deal adequately with the legislative program of the government unless they are aware of what it is. One cannot deal with legislation if one is given notice of the intent to have the matter debated in the House and referred on Thursday for the following Monday discussion. In dealing with such matters in the Ontario legislature during minority government, it has been my experience that we were well able to look at the government's over-all program, to come to grips with those matters which were of vital importance to the majority of members and to put them into an order which enabled us to establish a time-frame within which they could be dealt. To the best of my recollection, we never had to use closure during the five years that I was House leader of the official opposition and of the third party during the time of minority government in Ontario.

We will not support this motion because it is a further slide down the slippery slope. I do not want to go any farther down it. I think we have seen enough closure in the House. Now we want to see co-operation and orderly dealing with the business of the House. The only way it can be done is if the government takes the opposition into its confidence in terms of what it proposes to consider over the course of a session and together we establish a way in which those matters can be dealt with adequately by everyone and proceeded with through the House and committees to achieve the ultimate result of passage.

Mr. Roy MacLaren (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, the motion before us relates to Bill C-48 which the House has been considering for almost a year. During that period, the draft legislation has been subjected to most careful and detailed scrutiny which has surpassed that given to most legislation before the House. The complexity of the bill and the magnitude of the task that the legislation must accomplish requires no less than the careful scrutiny the bill received.

Over a six-month period, the bill was before the Standing Committee on National Resources and Public Works. At more than 70 meetings of that committee, hon. members heard testimony from officials and received deputations and representations from a variety of Canadians from the Arctic, from sub-Arctic areas and from the Atlantic and Pacific regions—in fact from all Canadians who have a real interest in the development of petroleum resources in the Canada lands. In all, 140 witnesses appeared before the committee to give their views on the bill. Some of their suggestions, when incorporated with those presented by hon. members of the opposition, assisted the government in putting forward some 100 amendments for the draft legislation. Since the adoption of the amendments, another 57 amendments have been brought forward in the House, most of which simply repeated suggestions put forward in committee. We have allowed every opportunity for a fair and full debate. Perhaps we have even been overly flexible with respect to the length of debate on Bill C-48. Indeed, there were some 235 major interventions on the bill during the course of consideration in the committee and in the House. The bill has, in fact, been before us for a period longer than the constitutional resolution. There comes a time when the House must make its decision. That time has now arrived. We on this side of the House assume responsibility for taking that decision.

The hon. member for Yukon (Mr. Nielsen) spoke against time allocation on Bill C-48, but he knows as well as I the reasons why such allocation has now become necessary. It is the obstruction on the part of hon. members of the opposition which has delayed the passage of this important legislation.

Mr. Deans: Not us.

Mr. MacLaren: The hon. member for Hamilton Mountain (Mr. Deans) denies obstruction. But I remind him that colleagues in his party made clear their purposes in committee. For example, on October 19 the hon. member for Comox-Powell River (Mr. Skelly), when referring to members of the New Democratic Party, said:

> We had to resort to a filibuster and to delaying tactics. This was hard on everyone, including government members who had to sit and listen.

Hon. members opposite said that it was necessary because we would not listen.

Mr. Deans: That is correct.

Mr. MacLaren: The fact is that we did listen. Hon. members opposite know that perfectly well. The wide range of amendments which the government brought forward and were adopted at committee stage amended the legislation in such a way as to take into account the valid proposals of hon. members, particularly concerning the rights of native peoples and the fragile environment encountered in the frontier lands, whether offshore or in the Arctic.

Clearly unanimous approval of every aspect of Bill C-48 was not to be expected, but there is no question that the legislation is long overdue. For years we have operated under anachronistic legislation which would have been improved at an earlier

stage by Bill C-20, but that bill died at a time when a general election was called.

● (1530)

I have no disagreement with the hon. member for Etobicoke Centre (Mr. Wilson) who, almost a year ago today, made the following statement:

> The broad objectives of this legislation are worthwhile and certainly acceptable. One might go so far as to say that they are motherhood; they are intended to increase production and Canadian ownership, as well as to provide a very stable tax environment. I agree with the minister when he says that it is important to have this legislation.

I agree with that, Mr. Speaker. It is basically for this reason that we have brought forward a motion for time allocation at this stage. After all, if hon. members opposite and the energy spokesman for the official opposition consider that the bill is important and even that it is a "motherhood" issue, it would clearly be wrong to continue the prolonged obstruction that it has encountered.

This bill has been brought forward against a background of significant progress in the implementation of the National Energy Program. During the past year major agreements have been reached with the governments of Alberta, British Columbia and Saskatchewan. At the moment we are engaged in serious discussion with the governments of Newfoundland, Nova Scotia and British Columbia with regard to offshore resources.

An attractive price regime has now been established. That is one incentive for the more rapid development of the petroleum resources in the frontier lands which, when taken in conjunction with the petroleum incentive program, will ensure that Canada achieves oil self-sufficiency to match our self-sufficiency in other energy forms.

Against this background, I cannot understand how the official opposition can justify their continued obstruction of a bill which will ensure, among other things, greater Canadian participation in the Canada lands. For many years, we on this side and some members of the New Democratic Party have urged that legislation be put in place to ensure that Canadians have a greater opportunity to participate in the development of their own petroleum resources. This bill contributes to that objective, Mr. Speaker. When coupled with other aspects of the National Energy Program, it will ensure that, for the first time, Canadians have a real opportunity to participate in their own petroleum development.

That policy has the broad support of the Canadian people, Mr. Speaker. A recent survey conducted by the Canadian Petroleum Association showed that 84 per cent of the people surveyed support the thrust of the legislation now before us. Not only does the great majority of the public support such a policy, but so does the government of Alberta which has undertaken to offer petroleum incentives which, among other things, will enhance the Canadianization of our petroleum industry. So also does the government of Saskatchewan. So does the government of Ontario also for example, supports this Canadianization, as we have seen from its recent acquisition which will involve it to a greater degree in the Canadian petroleum industry.

We cannot sit and listen indefinitely, Mr. Speaker. It is time for Parliament to act; it is time for the government to act.

The Acting Speaker (Mr. Ethier): Order, please. The hon. member's time has expired.

Mr. Harvie Andre (Calgary Centre): Mr. Speaker, the hypocrisy of the parliamentary secretary never fails to amaze me. He can stand up and spout things that I know he does not believe. He can take the most outrageous misinterpretations of statements made by members of this party and put them forward as fact. I must say that he serves the right minister in terms of the fidelity with which he treats facts and presents them to the House.

The parliamentary secretary said that my colleague, the hon. member for Etobicoke Centre (Mr. Wilson), had indicated that it is about time this bill came forward because we have been waiting ten years for it. I should like to set the record straight, Mr. Speaker. Ten years is approximately right; in fact, it is 11 years. In April, 1970, the then minister of energy in the Liberal government said that the government was withdrawing the rules and regulations for Canada lands in order to replace them soon with better rules and regulations. "Soon" was seven years! In 1977 the government brought forward a set of regulations which were not good, but were not bad. As a result of what they brought forward then there was a spurt of activity in the north. Then came the National Energy Program which brought to a halt much that was being accomplished and that we had expected would continue in the north.

The parliamentary secretary said that great progress had been made as a result of the National Energy Program. He pointed to the agreements made with the provinces as examples of progress. As a result of those agreements, however, the federal government abandoned its crude oil pricing schedule for domestic crude, it abandoned the export tax on natural gas and it abandoned the proposal to treat old oil and new oil in the same way. What he calls the great progress in the National Energy Program was really backtracking from some of the more absurd proposals that were brought in in the first place. That is what the government defines as progress, Mr. Speaker.

Judging from statements he made at the Liberal Party convention in Toronto a couple of weeks ago, I know that the parliamentary secretary will join with me in hoping that we see progress in the budget very soon because there is a need for more backtracking there as well.

The parliamentary secretary says that we should be pleased with the national energy policy and what it is achieving. I have before me the latest issue of *Oilweek* magazine which quotes the minister as saying, "I wish to refer hon. members to the figures published in *Oilweek* magazine". So the minister uses figures from this publication. A chart in the magazine shows that on November 18, 1981, there were 281 rigs drilling, while on November 18, 1980, there were 446 rigs drilling. Is that progress, Mr. Speaker? In one year half of the drilling capacity in the country has been wiped out. The parliamentary

secretary seems to think that is progress. A little more progress like that and there will be no rigs drilling at all, Mr. Speaker. That will be just marvellous progress!

There is no question that this bill has been before us for a long time, Mr. Speaker, but we have not been dealing with it exclusively for a full year. I can recall taking a few months off last summer and talking about the Constitution and the budget. Other subjects were raised during the year that interfered with the debate on Bill C-48 as well.

It has taken so long to go through the House because it is a bad, bad bill. It is one of the worst bills ever brought forward by any government. It establishes a precedent for the democratic free world. I have researched this subject, Mr. Speaker, and it appears that this is the first time in any democracy that a government proposes to confiscate private property without compensation. It is the first time any democratic government in any democratic free nation has presented this kind of legislation. That is an incredible precedent, Mr. Speaker, and a year is not nearly long enough to discuss the bill fully.

Perhaps the parliamentary secretary should go over to the Senate and listen to the discussion on the bill there. He claims that everything that needs to be said has been said, but if he were following the proceedings before the Senate Committee on Banking, Trade and Commerce he would realize that a lot more needs to be said.

Far from being perfect or even getting a passing grade, this bill is a bad piece of legislation. We would do Canada a service if we were to toss it out. If we were really interested in Canada and not in the political reputation of the Minister of Energy, Mines and Resources (Mr. Lalonde), that is what we would do. If we were dealing with something other than political pride, then hon. members opposite would join us in throwing this bill out, throwing it back to the bowels of the civil service where it came from, because it is an atrocious piece of legislation. I would certainly identify with the problems which were alluded to by the House leader for the New Democratic Party concerning the way this House functions, the necessity to co-operate, and so on.

• (1540)

It is frustrating in the extreme, to go before a committee, to debate in the House, to discuss in Committee of the Whole or whatever procedure, bills of such tremendous importance as this bill and, whether sitting around the committee table or in the House, be faced by a bunch of members who know that their only purpose and reason for being there is to say "aye" when the minister orders it. Independent thinking is intolerable to the backbenchers or frontbenchers of the Liberal Party. They do not tolerate independent thinking. Therefore, I can perhaps understand some of their frustration and the reason they applaud bringing in closure today. It is because they have been sitting there for a year, with different characters coming in and participating in different stages, but they have not been allowed to have a single independent thought, and they have not been allowed to examine the legislation from any other point of view. They must always say, "Is this not wonderful? The minister is such a brilliant man! This Liberal government is so sensational!" Their sole role is to say, "Aye, sir, aye", when ordered to do so. They are never allowed to think. If they dare think, they will be back there behind the curtains forever. Their chances of going on a trip? Zip! Their chances of becoming parliamentary secretaries? Zip! Their chances of getting any of these nice perks are shot if they ever dare think. Therefore, "For goodness sakes, do not think!" is the cardinal rule of the Liberal backbencher. They must say, "Aye, aye, aye!"

If they were thinking, and I assume that some of them have the capacity of doing so from time to time, they would have listened to some of the things said. Yes, they might have heard some things being said by the industry, which many of them hate. However, they would have listened. Perhaps, if they did not like what the industry had to say, they would have listened to what the legislative council in the Northwest Territories and the legislative council of the Yukon Territories had to say. They would have heard their concerns. They would have heard their feelings of exasperation at being treated as a bunch of colonials by this bill.

What this bill does for the Northwest Territories and Yukon is the same thing that the Dutch East India Company did to India. The government established Petro-Canada as a kind of governor of this enormous territory. This benevolent Crown corporation will now have more to do with the development of the Northwest Territories and the Yukon than the democratically elected legislatures of those two territories. It is colonialism of the worst sort.

If hon. members opposite had the capability to think, they would have thought a little bit about what those people were saying. They would have thought about what those democratically elected legislators were saying. Hon. members would have said, "Maybe we should not be so rash in the manner in which we put forward this legislation".

This situation is really sad. I think that this House would do itself a service by devoting several days of debate and discussion to the quality of the democracy that exists and to the nature and way this place operates. The reality is that much of what we do is basically fraudulent. Hon. members opposite, and particularly backbenchers of the government party, sit in committee and participate in debate, claiming they are speaking as individual MPs. However, in fact they are automatons, robots who say, "Aye, sir, aye", and nothing more.

We call this a democratic Parliament, a parliamentary system which has its tradition; but in a sense we are deceiving the people of Canada if we claim that Parliament, in fact, functions as it should. It does not. Whatever comes out of the bowels of the bureaucracy, rubber-stamped by the cabinet, becomes holy writ.

[*Translation*]

Mr. André Maltais (Manicouagan): Mr. Speaker, initially I did not intend to take part in the debate on the motion of closure presented by the Minister of Energy, Mines and Resources (Mr. Lalonde), but considering that the debate on

the bill has been going on for more than a year, I feel it should be made clear to the members of the opposition that the line has to be drawn somewhere. Personally, I would be the first to protest any attempt to gag the House whenever a bill is at all controversial, if the time allotted to consider the bill was not sufficient. However, Bill C-48 was tabled in the House more than a year ago, and I feel that anyone who wants to extend the debate is clearly showing signs of bad faith.

Earlier, I was listening to the member for York-Peel (Mr. Stevens) speak to this bill, when he asked to extend the debate again for a few days, so that certain improvements could be made. The surprising thing is that during the ten minutes he spent talking, the hon. member made no new proposals aside from criticizing the measure of closure. In my view, if the hon. member had any desire to be effective, he would have used his ten minutes to suggest at least a few improvements, if he is so convinced there is room for any. One of the important elements that has been added to the bill during the past year, Mr. Speaker, concerns future discussions with native peoples because Bill C-48 is not placing any restrictions on the debate on land titles or rights that apply directly to native peoples throughout Canada. I believe that just now the member for York-Peel could usefully have proposed some concrete elements, in discussing native peoples and the environment.

In fact, Bill C-48 is intended to provide a framework for the implementation of new legislative provisions that are to govern the development of both gas and oil resources. This bill will help us exercise more government control over resources that belong to all Canadians. Of course this bill could be debated for ages. We could even add or delete a few commas! But let us at least give this bill a chance to be enacted. Later, if necessary, it could be tabled again in Parliament, when amendments could be proposed. Mr. Speaker, in debates like this one it is hard to understand why, instead of pressing on, instead of wanting to pass legislation, the opposition seems to be literally obstructing the parliamentary process and democracy. For one whole year, the opposition has had an opportunity to make its position clear, as have the members on the government side, and whatever the member for York-Peel may have said in this regard just now, he is very little concerned with the backbenchers of his own party or those on the government side. Members who were genuinely interested in the subject have all had an opportunity to speak to this bill, and to discuss it in committee.

So, anyone who says that we are blindly accepting measures presented directly by cabinet is ignoring the critical faculties of the members on all sides of this House. To the members opposite and to the members of my own party I can say that I have personally taken part in a number of discussions on native rights to ensure that the rights of these first owners of this country are not neglected by legislation that is of course creating a framework for the development of natural resources. The bill says clearly that in future, native peoples could claim any royalties to which they would be entitled. In no way does the bill affect native rights. It simply confirms the right of Parliament to continue to negotiate with the native people those provisions which could bring them revenue and also confirms their ownership of these lands for the years to come. It is important to note this. Another aspect of Bill C-48 which might be mentioned is the environmental aspect. In my opinion, some worthwhile provisions contained in this bill will guarantee the harmonious development of oil and gas resources and ensure that we shall have no cause to regret in the future whatever action is taken under this bill.

Mr. Speaker, I would not want to be guilty myself of what I deplore and talk about nothing, but I really want the opposition to understand, as we do on this side of the House, that some decision must be made after one year of debate on this issue. Something which many people deplore about the government is that we do not often have the courage to draw the line, even though imperfectly. Obviously, if I were to go over this bill, I might want to make some very personal changes and add my own personal touch to it. However, on the whole, I am satisfied. The bill provides guarantees which I am very happy to accept. We should at least give this bill a chance to see the light of day and quit dragging on about matters which have been debated according to the rules of democracy. In view of what was said in committee and all the representations made to the minister and to the standing committee of the House, no one can say that the process of democracy has not been respected.

I understand that some members may not be happy about this bill and that some people would have preferred another formula to ensure the development of Canadian oil and gas resources, but the fact is that the government is responsible for the decisions to be made in this regard. I believe that only the people may show their appreciation or disapproval of such a bill when they go to the polls every four years. It is important for the opposition to be heard and to express its views, but afterwards, we have to vote. As a last resort, the opposition will be able to revert to this issue in the next election, and if the people really condemn the government party at that time, they will obviously show it. Until then, the opposition should respect those that the majority of Canadians have elected to act on their behalf. This is important. We often have the impression that some people are trying to play a role or to speak on behalf of other people because they are convinced that only they can speak the truth.

Under a democratic system, the government is allowed to govern and the opposition to act in character, of course, and even to oppose measures, while abiding by the rules of the game, and making sure as well that no time is wasted. Considering the present economic problems in this country, I think it would be rather irresponsible for the opposition to ask for additional time in order to repeat over again same things that

have been said for quite some time in the House and in committee on that bill.

Mr. Speaker, since my time is almost up, I merely want to say to the parties opposite that I would be the first, along with others in the House to object to being gagged if all the time required to discuss this bill had not been allotted, but since a year has elapsed since the bill was introduced, I think that every democratic rule has been complied with and that it is rather unfortunate that we have to resort to the gag, because we would like to proceed with the co-operation of the parties opposite.

● (1550)

[*English*]

Mr. Jim Hawkes (Calgary West): Mr. Speaker, I stand today with a sense of outrage. Today was the first time in over a year that I have put on my parliamentary button. I took it off the night after the brief debate when Liberal members opposite moved closure on the Constitution of Canada. Liberal members stood in this House and voted for closure after a short debate. This morning I decided that possibly the Parliament of Canada could work. I put on my button, and at my first opportunity to speak in this house I again face closure.

I would like to remind hon. members of the Liberal Party of Canada that they may have a tendency to blame the cabinet and the government, but their fund raisers, volunteers and votes in this House of Commons have sustained the government. Never in the history of this country have there been so many closure motions faced by a Parliament. Eight times members of this cabinet have moved closure in this House during this Parliament. I remind hon. members opposite that very shortly after the introduction of the constitutional resolution, closure was moved. A cabinet cannot do this. A cabinet cannot deny Canadians the freedom of speech which this House represents unless that cabinet is sustained by its backbenchers. I say to hon. members opposite that they must examine their consciences on each and every occasion a cabinet minister says that it is a good idea to move closure. Hon. members opposite must weigh the pros and cons to see whether or not they are culpable and part of a system which is gradually eroding democracy piece by piece in this country. Hon. members opposite must accept responsibility for that. I suggest to Liberal voters in Quebec, Nova Scotia, Newfoundland or wherever they are found that they must begin to judge members by the contributions they make to informed discussion and to democracy in this House.

It is our responsibility, and I will encourage our candidates in the ridings, to make voters aware of how often members opposite have stood in this House and voted for closure. There is nothing in terms of the long-term impact on the functioning of the Parliament of Canada that is as damaging as this record of closure.

The parliamentary secretary stood earlier in this House and talked about obstructionism. I put a different word on debate in this house. If we have a government that values this House, then we should all learn from each other. We come from various parts of Canada. This is a forum. We come from Newfoundland, Vancouver Island and the Northwest Territories. We come to this chamber as representatives of people in our communities and regions. We come to bring that perspective to the debates of this House. The extent to which closure is used as a tool to cut off our instructional process is eroding public confidence in the ability of this chamber and the Parliament of Canada to act on behalf of the Canadian people.

On each occasion closure is used, it becomes easier to use it on the next occasion. The proof of that lies in the fact that we are considering the ninth motion of this kind brought forward by this government.

If hon. members opposite are pleased with last Wednesday's vote on the Constitution of Canada, I remind them that they could not have stood in this House and voted for that resolution or the accord if this party, led by the former prime minister of Canada, had not fought for seven days to keep them from getting to a closure motion. That is what the filibuster was all about; it was not on the Constitution of Canada. It was to stop the cabinet from moving a closure motion on the fundamental law of this country.

Some hon. Members: Hear, hear!

Mr. Hawkes: Mr. Speaker, I stand here today representing the people of Calgary West and facing a closure motion on Bill C-48, the Canada oil and gas act. There is a sense of tiredness in this party about trying to educate members opposite to the impact of this legislation on the future supply of oil and gas for Canadians. In my riding, in my neighbourhood and on my street, there are many people who work in the oil and gas industry as janitors, secretaries, engineers and geologists. I see them day after day. I have lived among them all of my life. I tell hon. members that the present bill will not produce the desired consequences. It will not produce the oil and gas Canadians could have and do need, the oil and gas which will become even more important in the future.

● (1600)

The minister has a choice. He can read the speeches of the hon. member for Calgary Centre (Mr. André) and the hon. member for Calgary South (Mr. Thomson) as a student trying to learn about the industry which is important to the future of this country, or he can read them with a closed mind believing that members on this side have no interests other than those of obstructionists.

In the meantime I say to the minister that a number of my friends and neighbours have left this country with their skills, their money and their equipment. They are not here today to help us find the oil and gas this country needs. One of the reasons they are not here is Bill C-48.

The hon. member for Calgary Centre said earlier today that never in the history of a democratic government has there been a piece of legislation which simply moves in, without compensation, to seal 25 per cent of the assets of people who have their money invested in the shares of these companies, includ-

ing the pension funds. What this legislation does is steal 25 per cent of the assets of Canadians who have invested in these companies, or in pension funds, without compensation. That is one of the things it does, and that is one of the things that has chased Canadians with talents, skills, equipment and money out of this country. The United States, Australia, New Zealand and other countries are benefiting from this policy promoted by the Liberal Party of Canada. This policy is probably more important in world economic terms than the North-South dialogue, particularly in its potential to influence events as we go down the road.

One of the problems results from his lack of understanding that in the world today, because of the actions of the OPEC cartel and things of that kind, there is a worldwide shortage of human beings with the skills, knowledge and experience needed to find oil and gas, get it out of the ground and into our homes, our cars and buses. These people are in short supply in the world today.

When the government decides to strengthen the hand of the Department of Energy, Mines and Resources and to trust the advice of its officials, then I suggest the first thing it should do is compare the salaries paid to the officials of that department with the salaries paid to those in the private sector. The minister should remember that there is a shortage and then ask himself whether in that competitive labour market he is getting advice from the best brains, the most knowledgeable people. Is the minister, who knew little about this industry when he started, getting the best advice? If the minister cannot come to the conclusion, on the basis of plain common sense, that the government can, is and will be competing in the competitive market for the best brains, then he better be careful about how much responsibility he is giving his officials and how much advice he is taking from them.

I suggest to the minister that any objective observer would have to come to the conclusion that a government department is never going to be able to get the kind of talented and experienced human beings required to run this industry. When the minister has that clear in his mind he should look again at Bill C-48 and recognize that for each individual play there is going to be a bureaucrat determining the rules.

The Acting Speaker (Mr. Ethier): Order, please. I regret to interrupt the hon. gentleman but his allotted time has expired.

Mr. Maurice Foster (Algoma): Mr. Speaker, I am glad to have the opportunity of saying a few words on the motion before the House this afternoon to limit the time for debate on Bill C-48.

This bill is very important to all Canadians, and certainly to those involved in the oil and gas industry, with particular reference to the Canada lands, some 300 million acres in the north and on the east coast. The bill has been before the House for over a year now, and it is clear that even though it has had very extensive study in committee, with extensive debate at second reading and at the report stage, there is now under way a long filibuster on third reading.

It seems to me that the opposition has the right to oppose a bill of this nature, but at some stage a decision has to be taken on what is the will of the House. During some 70 meetings the committee studying the details of this bill heard not only from representatives of oil companies but from people in the north and from other countries.

One feature of the bill that is often misunderstood, and about which there are outlandish cries of concern, is that feature regarding the federal government's 25 per cent share of oil and gas leases in the Canada lands. Bill C-48 does away with the existing system in almost all respects and adds one new element, namely, the 25 per cent Crown share.

Another related and very important component of the system is the federal government's cash incentives, the PIP grants, available to explorers, which will offset the 25 per cent Crown share. Thus there will be no free ride because the federal government is making grants for exploration. The government will be paying its way throughout the exploration and development stage and there will be no discrimination against foreign oil companies because they will receive the same 25 per cent cash incentive available to all Canadian companies. In fact, when the Crown agency converts to a working interest during the exploration stage, the federal government, in effect, will be paying nearly twice for its interest during the balance of that stage, because the private interest holder will continue to receive the minimum 25 per cent exploration grant in respect of his 75 per cent interest, while the Crown agency will pay 100 per cent of its working 25 per cent interest. Thus nearly 44 per cent of exploration costs will be met by or on behalf of the federal government.

Having regard to the fact that oil and gas resources are 100 per cent owned by Canadians in the first place, and the fact that Canadians have been funding frontier exploration and development through their tax dollars by an amount equal to much more than 25 per cent, Canadians should be entitled to at least a 25 per cent share of any oil and gas rights issued under the new act.

Regarding the 25 per cent Crown share of existing oil and gas rights, the rationale is equally sound. The fact is that Canadian taxpayers have been paying for the bulk of oil and gas exploration expenditures made in the frontier regions. Of the frontier development expenditures of $4.5 billion to $5 billion to date, some 75 per cent, or over $3 billion, has been provided through tax dollars in write-off provisions. Thus there is no case to be made for the suggestion that the 25 per cent Crown share is expropriation without compensation.

Furthermore, 85 per cent to 90 per cent of the total expenditure involved in exploring for oil and bringing a field into production is incurred after the production system has been approved. Since the Crown share will be in the form of a working interest not later than the time of the approval, the Crown agency will be paying a proportionate share of these major costs. That is, bringing the field into production and, as I said, paying 85 per cent to 90 per cent of the total expenditure. Of course, at that stage the Crown agency, whether it be Petro-Canada or another Crown corporation, will have con-

verted their carrying interest into a working interest and will be paying their full share.

• (1610)

To ensure a fair distribution of past costs, there is a new provision for *ex gratia* payments on 25 per cent of the exploration expenditure made up to December 31, 1980 in respect of any oil and gas discovery which results from a well which is spudded prior to that date and which qualifies to be declared a significant discovery prior to December 31, 1982. The amount of payments to be made out of the Crown share of production will be fully reflected in the value in time of the qualifying expenditures. Thus, the government cannot accept the views of some companies that repayment should be in terms of the full market value of their reserves which have already been delivered.

Finally, our attention should be directed to the significant difference between the current Canada lands regime and the proposed Bill C-48 package. Currently, holders of exploration rights are required to return at least 50 per cent of their acreage to the Crown, which could involve up to 30 per cent of their discoveries, prior to obtaining production rights. Furthermore, the rights holder thereby loses a portion of the production area of the field. While some explorers have said that this imposes less of a burden than the proposals in Bill C-48, their actions contradict this view. In several cases they have opted for special renewal permits on their entire acreage, thus accepting the 25 per cent Petro-Canada back-in. They have done this in preference to moving directly to lease, yielding 50 per cent of their acreage but avoiding a Petro-Canada back-in. They are thereby recognizing a preference for the new system which allows them, among other things, to retain production rights in the entire area of an oil and gas field.

I would like to emphasize again the point that the people of Canada actually own 100 per cent of the Canada lands and the oil and gas which these regions contain. This amounts to approximately 300 million acres. Private companies may explore and develop these oil and gas resources but only on the full understanding that the federal government, as the landlord, can set a regime that is appropriate to the circumstances and in protection of the national interest. This is a basic principle which all governments must follow in managing their resources.

Therefore, Mr. Speaker, it seems important to me that we move on with this bill now. We have been without firm legislation for the past ten years, since the oil and gas land regulations have been in abeyance. This bill has been thoroughly aired, both in the House and in the committee. People who are interested are now concerned about the delay that is taking place at third reading, when amendments cannot be brought in anyway. I think it is important that we proceed now to pass this bill. The House has had an opportunity to discuss it in detail. I believe it is a waste of time to filibuster this bill at third reading. We should be putting in place a new oil and gas regulation regime for this important sector of our economy instead of wasting the time of the House. I would urge members to get on with the job and pass this bill and bring its beneficial effects into being.

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, there are several types of legislation that this House deals with. One type of legislation is that with which there is a considerable amount of agreement from all sides, such as housekeeping matters which have to be dealt with rather quickly and expeditiously. We on this side of the House have tried to be as co-operative as possible as far as these issues are concerned. We have heard this afternoon that rapid consent has been given to approximately 33 pieces of legislation during this session of Parliament. If that is contrasted to what happened in 1979, I think you will find, Mr. Speaker, that during this session of Parliament it is evident that we have tried to be much more co-operative than the previous opposition.

Another type of legislation is that of a financial nature, such as the budget, with which we know there will not be agreement. The rules of the House, under the Standing Orders, provide a system of time allocation so that these matters can be reasonably and adequately debated before they come to a vote.

A third type of legislation is the type that is before us today, Bill C-48. This is a highly controversial piece of legislation which contains radical and new ideas that are not acceptable to the vast majority of Canadians. The traditional system which has developed over the decades in Canada for dealing with this type of legislation has been for the government to introduce the legislation, but rather than deal with it all at once, debate it over a period of time. There is a process of negotiation which is supposed to take place, and until this government was elected, this process by and large did go on. A majority government would get its way but the process would allow for consideration of other ideas and for the government to modify the proposals which it would have put forward. This process would prevent a radical change taking place virtually overnight.

I believe that this parliamentary process is a good one and should be inherent in the Constitution of Canada. We are now seeing this parliamentary process being abused and thrown away by the government. It does not care for the established principles of democracy and parliamentary procedure. Had the government brought forward legislation similar to Bill C-20, it would have been dealt with expeditiously. Bill C-20 was considered by the government, the opposition parties, by the industry and by people in the areas which would be affected, and there was a general consensus that Bill C-20 was the proper way to go. All that work went for nought and the government introduced Bill C-48, a bill with radical proposals; the concept of Canada lands and the continued colonialization and exploitation which the government wishes to see continue in the north, the idea that the minister can hand out gas and oil dispositions to anyone he wants. You do not get in line to come on a first come, first served basis or put in a bid at public tender; you just go to the back door of the minister's office and ask for a disposition at some particular area and ask, "What can I do for you?"

The notion of the oil and gas lease has grown up over many years in Canada. Companies would know what they were embarking upon when they signed an oil and gas lease in the north or in the provinces which issued these instruments. That will not be the case any longer under this legislation. The best that companies can do is to have something called a licence to produce. I do not know what kind of title that is. I am not surprised that property rights were not included in the new Constitution. What type of ownership is a licence to produce? It is practically meaningless. The idea is that whether you want it or not, you are going to have Petro-Canada in there as a 25 per cent or more partner. They are going to take that 25 per cent from you. It is confiscation, not, as the Parliamentary Secretary to the Minister of Energy, Mines and Resources (Mr. MacLaren) said, obstruction on the part of the opposition. It is obstruction of the parliamentary process by this government; that is what it is.

● (1620)

Unlike the Parliamentary Secretary to the President of the Treasury Board (Mr. Kelly), who I am afraid is beyond hope and redemption, the Parliamentary Secretary to the Minister of Energy, Mines and Resources must have some spark of intelligence beneath that flint-like exterior. If he were to bring that little intelligence that he possesses to bear on this question, he would see what he has been party to. He must be able to see what the Minister of Energy, Mines and Resources (Mr. Lalonde) has been putting him up to.

This has been a shameful display of government arrogance. This is what the government intends to do. It came in with Bill C-48, it is going to take 25 per cent, confiscate it and do all the other things I mentioned. The government is not going to brook any opposition. It is going to do precisely and exactly what it had in mind in the first instance. It remains of that mind, not having listened to any of the arguments proposed by the opposition, other governments in Canada that have been involved or people in the oil and gas industry.

During the committee stage, this party proposed between 50 and 60 amendments. How many of those were accepted by the government? I will tell the House how many. Not one single amendment. I can believe that, out of the 58 amendments presented, after careful reflection 54 might not have been in the best interest of the country. However, I am sure that at least four, three, two or one, had they been looked at and carefully examined by members opposite, would have been found to have at least some merit. But no, that did not happen. The government made up its mind a year ago when this bill was introduced that it would not listen to the opposition.

That is one reason the government has run into so much trouble over the period of time it has taken. Another reason is all that has been going on in the meantime, all the time devoted to the Constitution and other issues. The government could have come in with Bill C-48, listened to the arguments and said, "No, we have listened to what you have to say and we realize that what you are saying makes some sense"—

Time Allocation

The Acting Speaker (Mr. Ethier): Order, please. I regret to interrupt the hon. member but his allotted time has expired.

[*Translation*]

The member for Vanier has the floor.

Mr. Jean-Robert Gauthier (Ottawa-Vanier): For Ottawa-Vanier, Mr. Speaker! I appreciate the opportunity to say a few words in this debate. I wish to remind the member who just took his seat that the House has spent twenty-eight days considering Bill C-48. There have been seventy committee meetings at which 140 witnesses were heard. I think it is time the government took action and that the House decided on this very important bill. Mr. Speaker, I also want to stress a very important aspect of Bill C-48, namely, the Canadianization of our industry. Bill C-48, an act to regulate oil and gas interests in Canada lands and to amend the Oil and Gas Production and Conservation Act, will enable the government to have more control over the development of regions under its jurisdiction, namely the Canada lands, and also to increase the level of Canadian participation.

This bill is therefore directly linked to one of the three primary objectives of the National Energy Program, Canadianization, which will give Canadians an opportunity to increase their participation in the energy sector, especially in the oil and gas industry. Mr. Speaker, one can hardly overestimate the importance of this bill, as it represents one of the major concerns of our National Energy Program. Its aim is to provide a basic framework for the sound management and profitable development of Canada's considerable oil resources, and more specifically in lands owned by the government in the North or adjacent to our coasts. The bill will also give Canadians a fair share in the development of their oil industry, while guaranteeing safeguards for the population and environment of these remote regions. Our program, Mr. Speaker, confirms the principle that Canadians are entitled to participate more fully in the activities of their oil industry, but it also wants to be fair to Canadians with respect to setting oil prices and royalties. These objectives are entirely compatible with our desire to guarantee the security of our oil supplies.

One cannot deny that Canadianization is progressing satisfactorily. In fact, the majority of Canadians are in favour of this measure. Since the National Energy Program was announced about a year ago, foreign participation has dropped by about 6 per cent and foreign control by about 10 per cent. Both the governments of oil producing provinces and the vast majority of Canadian citizens are supporting our Canadianization efforts. It is clear that Canadians see the National Energy Program and the Canadianization project as the two key stages in achieving two objectives, namely, 50 per cent Canadian participation and energy self-sufficiency by the end of this decade. If we take into account the rate of Canadianization since the National Energy Program was announced, we can safely assume that we are close to achieving these two objectives. Actually, the Canadian oil and gas industry can look to a

very promising future, thanks to the National Energy Program and to these specific provisions of Bill C-48.

Naturally, as a state-owned corporation, Petro-Canada is committed to promoting Canadianization, and more specifically, the growth of our national industrial capability for providing the goods and services required for oil exploration. I want to stress the importance of the Canadianization program in connection with the development of our resources in offshore areas adjacent to the coasts. Thanks to this provision, Canadian industries will not only be taking part in the exploration of offshore resources, they will also be providing the equipment required to explore these resources. The National Energy Program also requires companies engaged in prospecting for oil and gas in offshore areas adjacent to the coasts and in the Canada lands to allow Canadians to compete on a normal basis as suppliers of goods and services. The Canadianization of the ancillary land facilities will allow new jobs to be created in Quebec and the Atlantic provinces and promote industrial development. Moreover, the use of Canadian goods and services will contribute to the development of new techniques likely to be exported which may have positive effects on our balance of payments.

Thanks to the Canadian corporation Petro-Canada and the oil incentive program, as well as the other measures which favour Canadianization under the National Energy Program, Canadians will participate to a large extent in the development of our offshore resources. Mr. Speaker, Petro-Canada is playing an increasingly important part in achieving the Canadianization objective set forth in the National Energy Program and the specific aims of Bill C-48. Over its past five years of operation, Petro-Canada has acquired much experience as an active participant in the Canada lands, a high degree of operational efficiency, and has played an active part in the development of new technologies, as well as an important though modest part on various international scenes. Since 1976, the corporation has been involved in digging 90 of the 153 wells in frontier areas and has been associated with the projects involved in every oil and gas discovery both on the east coast and in the Arctic islands. The corporation has for two years been operating drilling boats off the coast of Labrador, one of the most difficult drilling areas in the world, and it is now operating a drilling program off the Nova Scotia continental shelf. It is the only wholly-Canadian oil corporation in Canada, ranking sixth among the major oil and gas corporations, and it is involved in oil products marketing. I have had the pleasure to see Petro-Canada signs in my own constituency, and I feel that we should be proud to have Petro-Canada service stations in our constituencies.

Because of the experience it has gained, Petro-Canada has reached the following conclusions, and I should like to summarize these conclusions about the corporation and the impact Bill C-48 will have on the energy policy. Mr. Speaker, foreign investments in Canada's petroleum and gas industry are higher than in any other country, a fact which is reflected in the number of permits held on Canada lands as much by the extent of foreign ownership as by the size of individual international oil companies' land holdings. If we are to make room for Canadians, Mr. Speaker, and if we do not want to wait for years and years before production begins in the less promising remote expanses of land, it is imperative that we make changes in the land system. The aims and techniques set forth in Bill C-48 are moderate under the circumstances, they are not unheard of on international oil markets, and they are geared to the purposes of the energy policy.

Mr. Speaker, the Canada lands are a huge area of sedimentary basins whose enormous potential requires large scale and high risk investments; skilful development and sophisticated technology are necessary. That region must have a competitive commercial environment and uninterrupted participation on the part of international corporations while we encourage new Canadian investments in frontier areas. The proposed tax system and land management meet that requirement. Just like any other country whose oil potential is significant, Canada must strike the proper balance between measures designed to encourage activities which generate new supplies and its desire to achieve a balanced and orderly industrial energy growth and responsible tax levies on the development of its new supplies. The policy appears to be commercially attractive and internationally competitive, and it will bring on stream the desirable contribution of the Canada lands so as to achieve self-sufficiency sooner than expected. Bill C-48 also sets up the structure for the deliberate action required if we want to offer full and competitive business opportunities to Canadian industrial, engineering and service companies. Those are my opinions, Mr. Speaker, after serious reflection, and they are shared by many members on this side of the House and, I believe, by many Canadians as well.

• (1630)

[*English*]

Mr. Ted Miller (Nanaimo-Alberni): Mr. Speaker, it is disappointing that we have to deal with Bill C-48 again by means of closure. Bill C-48 is one of the most important bills that the government has introduced in its short term and for the term it has had under its previous administration as a Liberal government.

In my opinion, the government has taken a very narrow approach to Bill C-48 in terms of what the bill attempts to do for energy production. So far as the future of Canada is concerned, it is certainly important. The bill also has a great impact on many people in Canada, not only those who are dependent upon producing oil and those who are consuming oil, but also on our northern people and on some important offshore resources that employ many Canadians.

I am particularly disappointed that the government reneged on a commitment in committee to put this bill and all its implications before the people in the north so as to allow them to have direct input. It is not sufficient with a bill of this

nature to expect the northern people, the fishermen on the east or west coast to compile adequate briefs on such short notice so as to make adequate representations of their concerns in Ottawa.

We are concerned that closure is being imposed upon us in the House without our having any legal information from the government, particularly from the Minister of Indian Affairs and Northern Development (Mr. Munro), which would indicate what impact Bill C-48 will have on native land claims. We have been asking for that information for some time and it is not forthcoming. If anyone is obstructing the progress of Parliament, democracy and this bill, it is the government itself. The government certainly cannot expect the opposition parties to approve a bill that is so seriously flawed in many respects. Obviously, the "C" in Bill C-48 stands for closure.

The east and west coast fishing industry is poorly represented in Bill C-48, despite representations from the fishermen and allied workers in British Columbia, the Newfoundland fishermen, food and allied workers, the Canadian Arctic Resources Committee and the eastern federation of fishermen. We observe that little is contained in Bill C-48 that would indicate to those groups that the government is really concerned about protecting the offshore fishing resource which is so important, particularly in eastern Canada, the Atlantic provinces and Quebec.

The Minister of Fisheries and Oceans (Mr. LeBlanc) has been particularly silent on Bill C-48. We were expecting some comment from the minister. We were also expecting some comment from the Minister of the Environment (Mr. Roberts), who has so far failed to release the terms of reference as to how the environment will be protected under this Bill.

It seems to me and to the New Democratic Party that the only minister who has had very much input into Bill C-48 is the Minister of Energy, Mines and Resources (Mr. Lalonde). In fact, it is a power grab not only for resources, but it is a power grab by the Minister of Fisheries and Oceans and the Minister of the Environment. It is also a power grab to take away jurisdiction from the Minister of Indian Affairs and Northern Development.

We have just had an example in the Northwest Territories at Hall's Beach, where a cargo ship ran aground and we had pollution from diesel fuel leaking into that very sensitive environment. Bill C-48 does not address, in fact it confuses, jurisdiction over Arctic resources, Arctic pollution and offshore pollution in Canada. The *Edgar Jordain* lay on that beach for nine months before the federal government and its departments reached any conclusion as to how that particular oil spill would be cleared up. There were jurisdictional problems with the coastguard, the Ministry of Transport, the Department of the Environment, the Department of Fisheries and Oceans and the Department of Indian Affairs and Northern Development. There also were jurisdictional problems between insurance companies and the ship owner. We cannot afford in our offshore and northern resources to have jurisdictional problems. The bill does not adequately address the jurisdiction and the responsibilities of the Department of Fisheries and Oceans and of the Minister of the Environment.

● (1640)

Also the bill is seriously flawed in the area of jobs for Canadians. My party has moved a number of amendments which would have provided some assurance that Canadians would receive the full benefit of this massive bill and its implications in terms of offshore, northern development and the types and number of jobs required if there is to be full scale exploitation of offshore oil and gas. Sourcing provisions have been ignored. Canadians should have the opportunities, particularly those in areas which are hard pressed by unemployment or dependent upon the fishing industry. We are looking to some alternative to fishing on the east coast. The people there should have had some guarantees in the bill. They should have been provided with an opportunity to build the necessary ships and oil rigs and to provide all the technology which goes into offshore exploration and exploitation of oil and gas. There are inadequate provisions in Bill C-48, despite the input of various groups such as the shipbuilding and mechanical industries, despite the amendments proposed by my party to guarantee that those jobs existed for Canadians. We do not have any complaint about other nations having some access to those jobs, but when there are over one million people unemployed, there should be opportunities to train them for skilled, well-paying jobs so that they can contribute to the national economy rather than to national unemployment. There should have been some opportunity given by the government to those Canadians who find themselves unemployed, or to those Canadians, for example, in the fishing industry in Atlantic Canada who find themselves employed but in receipt of wages and incomes far below the poverty line, far below what they can adequately survive and raise families on.

Closure is no way to deal with important bills on which the House of Commons is prepared to expend time and effort. The hon. member for Hamilton Mountain (Mr. Deans) made a fine suggestion this afternoon. He said that there should be some opportunity to determine the legislative program of the government before the session begins or early in the session so that we can judge the time which bills require. It is not time that matters in this particular case. We may have had a year, but we still find we are discussing a flawed bill, a bill which is the result of the government not listening to anyone other than the oil interests.

Mr. Kelly: That is untrue.

Mr. Miller: To the greatest extent the oil industry has been well represented before committee, but what about people who are affected by northern developments and offshore resources? What about fishermen who are dependent upon a healthy environment for the production of stocks? Bill C-48 will pass because of the weight and power of the government, but we in the opposition would certainly be remiss if we did not oppose closure and a very flawed bill which does not consider its implications on the environment, on northern people, and on

the fisheries and oceans aspects of the Canadian way of life. We will be voting against closure and against Bill C-48.

Mr. Norman Kelly (Parliamentary Secretary to President of the Treasury Board): Mr. Speaker, I am pleased to have an opportunity to participate in the concluding debate on Bill C-48. In particular, I want to use the few moments allotted to me this afternoon to read into the record of the House portions of the "Forum" column carried in the October 1981 issue of *The Roughneck*, a small spunky periodical which I believe is published monthly in Alberta.

I have chosen this column as my topic this afternoon for two reasons. First, it was written by a small producer who is a member of a group which, in the struggle between the Titans, is easily and often ignored. Second, its author, Joe Mercier, offered a rational—that is, a calm and balanced view of both the national energy policy and its critics. I should like to start with the latter, those critics whom hon. members of the official opposition champion so emotionally, vociferously and, as we have seen this afternoon, so blindly in the House. The author wrote:

—the National Energy Program is the long time work of well educated civil servants who feel that they are doing the best they can for Canadians. They won't be dissuaded by industry criticism that lumps them as inept, malicious facist-communists. Being avid readers of the industry press, they are quick to point out the inaccuracy, exaggeration and hypocisy of the industry arguments, especially those from the independents. Some examples they choose:

—Putting total blame on the national policy for the exodus of small Canadian producers to the United States

—Doing the same for the rig exodus and exaggerating the numbers

—Pretending dismay and surprise at the 25 per cent back-in on Canadian lands when the industry was alerted to that provision in 1976 and provided with draft implementation of it in 1978

—Embellishing the opportunity in Australia without mentioning that the government back-in there will be 50 per cent, or failing to suggest that American targets are not as good as those in Alberta and are as subject to bureaucratic regulations and interference as are Canadian targets.

In dealing with the national energy policy, he critically pointed out:

No question—the small producer faces severe problems. He is overextended under high interest rates with little cash flow and no means of raising equity capital . . .

His largest, single problem is a lack of markets for natural gas . . .

His second problem is the inability to raise equity capital. Stock prices are down and there is no assistance from government in improving them.

His third problem could well eclipse the other two—the unbelievable complexity and paper work, dozens of taxes, and production forms, drilling incentive applications and back-ins. Now we have to add proof of Canadian ownership rating applications and justification for PIP grants and proof of non-avoidance under the Canadianization rules . . .

His fourth problem is a lack of input with governments chiefly because of the assumption by politicians that the larger independents are speaking for him.

For the small producer the recommended cures are relatively simple—for cash flow—bring rationality into the marketing of natural gas. If the bureaucrats in Ottawa and Edmonton and the large independents sincerely wish to help the small producer they should start here. Not only would a rational market save the small producer but it would at last bring an effective effort from the industry in making a creditable determination of surplus reserves, reasonable exports and expansion of the gas markets . . .

The largest contributions undoubtedly could be made by the federal government if it would allow a full tax write-off against other income for the purchase of shares in Canadian companies. That provision alone would do more for Canadianization than any other provision intended for that purpose . . .

For a continuing input into government policies and regulations that affect us, we would suggest that the spokesmen for the . . . independents follow the example of the majors in making reasonable specific criticisms.

● (1650)

Obviously, Mr. Mercier is concerned, obviously he is anxious to defend and promote the interests of small producers and just as obviously, the small producers want to reach an accommodation with the national government that respects the basic interests and prosperity of both sides. I commend him and his point of view to the Minister of Energy, Mines and Resources (Mr. Lalonde) and to the members of this House.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Ethier): Order, please. It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Esquimalt-Saanich (Mr. Munro)—McDonald Royal Commission—Query respecting report abridgements. (b) Preparation of index to report; the hon. member for Moose Jaw (Mr. Neil)—Agriculture—Establishment of western grains research foundation. (b) Availability of funds; the hon. member for Prince Albert (Mr. Hovdebo)—Agriculture—Refinancing of Co-operative Implements of Winnipeg. (b) Amount of federal government assistance.

ROUTINE PROCEEDINGS

[*English*]

BUSINESS OF THE HOUSE

ALLOCATION OF TIME FOR THIRD READING STAGE OF BILL C-48

The House resumed consideration of the motion of Mr. Lalonde:

That, in relation to Bill C-48, an act to regulate oil and gas interests in Canada lands and to amend the Oil and Gas Production and Conservation Act, one additional sitting day shall be allotted to the consideration of the third reading stage of the bill; and that 15 minutes before the expiry of the time provided for government business on that day, any proceedings before the House shall be interrupted, if required, for the purpose of this order and, in turn, every question then necessary in order to dispose of the said stage of the bill shall be put forthwith and successively, without further debate or amendment.

Mr. Blaine A. Thacker (Lethbridge-Foothills): Mr. Speaker, this has been an amazing two hours. On this side we have

watched hon. members opposite read the speeches prepared for them by the bureaucracy. Absolutely no independent facts went into those speeches in this discussion of the most important loss in a free democracy, the loss of freedom to debate a bill through the imposition of closure.

The hon. member for Scarborough Centre (Mr. Kelly) referred to an article written by a Joe Mercier as if that gentleman were speaking for independent people in the west. Mr. Mercier, of course, is in a good position: he is a very close personal friend of the Minister of Energy, Mines and Resources (Mr. Lalonde) and he has a close relationship with Petro-Canada. That is the point that we have been making—that certain people who have close Liberal contacts end up with very favoured positions.

Mr. Kelly: Mr. Speaker, for the record, I should like to point out that Mr. Mercier is a well-known, highly respected and admired member of the business community in Alberta. It was on that basis that I quoted him.

Mr. Andre: He is also a Liberal and a good friend of Marc!

The Acting Speaker (Mr. Ethier): Order, please. The hon. member for Lethbridge-Foothills (Mr. Thacker).

Mr. Thacker: Mr. Speaker, I have obviously hit a raw nerve. Close patronage friends of the Liberal government are going to benefit under this program. There is no doubt that the federal oil policy will cost 60,000 people their jobs, and there is no doubt that the number of rigs drilling in the west has dropped by 50 per cent. The bulk of the people who had those jobs come from central Canada. They are young men and women from Ontario and Quebec who went to Alberta to get a job. Now, as the result of hon. members opposite not fulfilling their role, these people do not have a job.

I believe hon. members opposite have forgotten the fundamental rule of a parliamentary democracy, which is responsible government. Instead, we have the cabinet lined up against all the rest of us. The cabinet is responsible to this House, Mr. Speaker, and we as individual members have to respond to the needs and desires of our constituents. It should not matter what the cabinet says.

When a bill is presented to this House, each member should analyse it to see whether it hurts his or her constituents, the region or the nation as a whole, and that is what members of this party do. We immediately recognized that there were some fundamental national and regional problems with the constitutional resolution, so we raised objections and forced the government to change the resolution. But hon. members opposite stood up and voted for a motion of closure on that constitutional resolution. Or they were going to do that until we stopped them with a six or seven-day debate which blocked them from taking refuge in the rules. That allowed the Supreme Court to hand down its decision. Finally, the government went back to the table and brought in the very changes that this party had identified as necessary.

This party has proposed dozens of amendments to Bill C-48. They are not spurious amendments, Mr. Speaker, but good amendments that would help people in the north. Today the government brought in a closure motion.

Mr. Taylor: Lalonde clones!

Mr. Thacker: This is clearly the worst bill that has ever come before this House, Mr. Speaker. It is full of drafting errors and the concepts are wrong. It should be withdrawn. It provides for confiscation. If we allow it to go through, we are putting in place a precedent that will let the government take away 25 per cent of Canada lands without compensation. If that can be done for Canada lands, then why can it not be done for farm lands? Surely nothing could be more important to our country than farm land? What is to stop the government bringing in a bill to take away 25 per cent of a person's farm? Here is a precedent for it and hon. members opposite have approved it as a policy. Indeed, it could be said that the government is taking 25 per cent of the farm land by means of the capital gains tax.

● (1700)

The people who live in Yukon and the Northwest Territories are being forever foreclosed by this bill. Those territories will never become provinces and they will never get control, management and ownership of their natural resources. Hon. members opposite do not seem to understand that there are human beings who live there, who love and have a feeling for the land.

As an Albertan, and knowing the history of Alberta, I know how they feel. In 1905 when Alberta was created, a central Liberal government decided that the people of Alberta could not control their resources and that the mighty Liberal government in Ottawa could make better decisions about the disposition of those resources than the people of Alberta. Even though Alberta had a provincial Liberal government from 1905 to 1921, the people rallied and demanded ownership of their resources. Their efforts were unsuccessful. In 1921 they turned out that provincial Liberal government and put in a UFA government. That particular party felt so strongly about obtaining ownership of the provincial resources that at an annual provincial meeting in 1924 it debated a resolution to separate the province from Canada. The people in Yukon and Northwest Territories feel just as strongly, Mr. Speaker.

In 1930 Alberta gained control of its resources, Mr. Speaker. Fortunately a Conservative prime minister, R. B. Bennett, came to power. But it took ten years, Mr. Speaker. During the depression the resources could not be developed, but things began to pick up in the 1940s. When the then premier of Alberta came to the federal government to seek money to develop the resources, none was available. The government in central Canada decided not to put money into the Alberta resources but through Royal Dutch Shell the people of the Netherlands did, as did the people of the U.K. through Gulf and BP, and as the people of the U.S.A. did through Esso.

We take a bloody dim view of a Liberal government now attacking those companies as if they were somehow evil and

corrupt. They were prepared to put their money into Alberta when the federal government would not. Hon. members opposite do not seem to understand that. We are not threatened by those multinational corporations.

Mr. MacBain: Shame.

Mr. Thacker: Only a central Canadian would think that. Only a Liberal backbencher who does not have the spine to stand up to the cabinet and say "That is not right and we are not going to put up with it" would—

Mr. MacBain: Oh, oh!

Mr. Thacker: If I were a citizen of Yukon and the Northwest Territories, I would be marching. I would be throwing bricks. I would start a revolution if I had to, to get control of those resources.

Mr. MacBain: Oh, another Lévesque! Why don't you go to Quebec?

Mr. Thacker: The only thing hon. members opposite understand is power.

Mr. Taylor: Why don't you stand up and talk? Won't Trudeau let you stand up and talk?

Mr. Thacker: The hon. member for Niagara Falls (Mr. MacBain) seems to be rather exercised. Where was he on the Constitution? The hon. member for Niagara Falls has done nothing on the Constitution.

Mr. MacBain: I spoke for it. Your party did not even vote for it, or half of them did not.

The Acting Speaker (Mr. Ethier): Order, please.

● (1700)

[*Translation*]

Mr. Henri Tousignant (Témiscamigue): Mr. Speaker, as the last one to speak on Bill C-48, I could use the few minutes that I have to respond to the insanities of the members opposite, but I prefer to point out the positive aspects of this piece of legislation. Bill C-48 has three main objectives: first, to ensure active research and development of our oil and gas interests in the frontier areas, the territories and offshore; second, to increase Canadian participation in the development of oil and gas reserves in the frontier lands; third, to ensure Canadians a fair share of these resources, promote Canadian employment and the use of goods indigenous to these areas, and provide for energy self-sufficiency.

Although Bill C-48 does not deal with environmental issues, I would like to point out, in response to the concerns expressed by the hon. member for Nanaimo-Alberni (Mr. Miller) over ecology and the environment, that the bill extends the existing environmental protection legislation and provides additional safeguards for the fragile ecology of the lands north of 60°. The original legislation gives the federal government the power to administer the Canada lands. However, the industry has since then greatly increased its role in the development of oil and gas resources in the Canada lands. The federal government has indeed in the past encouraged this development through various tax incentives and continues to do so now through oil subsidies under the National Energy Program. It believes that we must know exactly what oil and gas resources are in order to plan our energy supply, and it also thinks that the oil resources of the northern part of Canada lands are a vast reservoir that could help us meet our future energy needs.

Under Bill C-48, the government will be able to subject corporations to stricter requirements, thereby ensuring that they actively undertake development programs on Canada lands instead of creating land banks as has been the case in the past. Furthermore, the government wants to make sure that the environment is adequately protected, and that Canadians generally, and particularly those who live in the communities surrounded by Crown lands, benefit from the exploration and development operations in progress around them.

Bill C-48 will allow the government to better evaluate the impact on the environment of exploration and development, thanks to the establishment of a new environmental studies revolving fund. This fund will give additional support to the financing of regional studies already undertaken by the industry and the government under research programs. In that regard, we must realize that major studies on the environment are already under way in areas where oil and gas could be found. Over $12 million have now been spent on environmental studies in the Beaufort Sea and comparable studies have been started in the Baffin Bay, the Davis Strait, the Labrador Sea, the Scotian continental plateau and the Grand Banks, most of them financed by industry.

In addition to those, the government has sponsored complementary environmental surveys through organizations such as the Bedford Institute, the Canadian Wildlife Service, the Environmental Protection Service, and the Departments of Indian Affairs and Northern Development, and Energy, Mines and Resources.

All amounts credited to the revolving fund will be used to finance environmental and regional biological studies as well as research and development or ways and means to alleviate the impact of development on the environment which could apply generally to oil and gas development. This bill will legalize officially the financing of environmental studies undertaken by the industry, and serve as the legal basis for the non official methods used on Crown lands since the early seventies in the financing of major environmental surveys. This fund is a necessity since regional studies on the environment will have repercussions on the major and essential energy projects such as the development of the Hibernia and Venture oil fields discoveries—

The Acting Speaker (Mr. Ethier): Order, please. It being 5.05 p.m., the two hours provided for the consideration of the motion now before the House under the provisions of Standing Order 75C have expired. Accordingly, pursuant to this standing order, it is my duty to interrupt the proceedings and put every question necessary to dispose of the motion.

The question is on the motion of the Minister of Energy, Mines and Resources (Mr. Lalonde). Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Some hon. Members: No.

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

Some hon. Members: Yea.

The Acting Speaker (Mr. Ethier): All those opposed to the motion will please say nay.

Some hon. Members: Nay.

The Acting Speaker (Mr. Ethier): In my opinion, the yeas have it.

And more than five members having risen:

The House divided on the motion (Mr. Lalonde), which was agreed to on the following division:

● (1720)

(*Division No. 135*)

YEAS

Messrs.

Allmand
Appolloni (Mrs.)
Axworthy
Bachand
Beauchamp-Niquet (Mrs.)
Berger
Blaker
Bloomfield
Bockstael
Breau
Bujold
Burghardt
Bussières
Campbell (Miss) (South West Nova)
Campbell (Cardigan)
Chrétien
Collenette
Corbin
Cosgrove
Cousineau
Cyr
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dubois
Dupont
Dupras
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Flis
Foster
Fox
Frith
Garant
Gauthier
Gingras
Gourd (Argenteuil-Papineau)
Gray
Guilbault
Harquail
Henderson
Herbert
Hopkins
Hudecki
Irwin
Isabelle
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lalonde
Landers
Lang
Lapointe (Charlevoix)
Lapointe (Beauce)
LeBlanc
Lonsdale
MacBain
MacEachen
MacLaren
MacLellan
Maltais
Marceau
Massé
Masters
McCauley
Munro (Hamilton East)
Nicholson (Miss)
Olivier
Ostiguy
Ouellet
Pelletier
Penner
Pepin
Peterson
Pinard
Portelance
Prud'homme
Regan
Reid (Kenora-Rainy River)
Roberts
Robinson (Etobicoke-Lakeshore)
Rompkey
Rooney
Rossi
Schroder
Simmons
Smith
Tobin
Tousignant
Trudeau
Turner
Watson
Weatherhead
Whelan
Yanakis—103.

NAYS

Messrs.

Althouse
Andre
Anguish
Baker (Nepean-Carleton)
Beatty
Benjamin
Blackburn
Blenkarn
Bosley
Bradley
Cardiff
Clark (Yellowhead)
Clarke (Vancouver Quadra)
Cook
Cossitt
Crouse
Darling
Deans
Dinsdale
Domm
Elzinga
Epp
Forrestall
Fraser
Fretz
Gass
Gilchrist
Greenaway
Gurbin
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Hovdebo
Huntington
Ittinuar
Jelinek
Jewett (Miss)
Keeper
Kilgour
King
Korchinski
Lawrence
Lewis
Lewycky
MacDonald (Miss)
Malone
Mazankowski
McCain
McCuish
McDermid
McGrath
McKenzie
McKinnon
McMillan
Miller
Mitchell (Mrs.)
Mitges
Munro (Esquimalt-Saanich)
Murphy
Murta
Neil
Nickerson
Nielsen
Nowlan
Oberle
Orlikow
Paproski
Patterson
Reid (St. Catharines)
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Shields
Skelly
Stewart
Taylor
Thacker
Thomson
Towers
Wilson
Wright—83.

● (1730)

[*English*]

Madam Speaker: I declare the motion carried.

* * *

BUSINESS OF THE HOUSE

Mr. Pinard: Madam Speaker, after consultation with my colleagues, we have come to an agreement to allow the House to sit from seven o'clock to ten o'clock tonight in order to deal with the fifth day of debate on the budget. If you seek unanimous consent, Madam Speaker, I think you will obtain a favourable response.

Mr. Nielsen: Madam Speaker, we have had those discussions and we have come to that agreement. I take it that the final day of debate for Bill C-48 will be next Wednesday, is that correct?

Mr. Pinard: That is correct, Madam Speaker.

Mr. Deans: Madam Speaker, we also understand the agreement to be as the House leader said.

Order Paper Questions

Madam Speaker: Is it agreed that the House will sit from 7 p.m. to 10 p.m.?

Some hon. Members: Agreed.

Mr. Pinard: I understand that the hon. member for Yukon meant Wednesday of this week.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, the following questions will be answered today: Nos. 2,712, 3,090, 3,144, 3,180, 3,294 and 3,329.

[*Text*]

STUDIES OF SUBLIMINAL ADVERTISING

Question No. 2,712—**Mr. Beatty:**

Since October 14, 1975, did the government conduct or finance studies on the subject of subliminal advertising in either the electronic or print media and, if so (a) by whom were they conducted (b) what were their conclusions (c) what was the nature of the work (d) on what date were they completed (e) what was the cost (f) what action resulted from the recommendations (g) from whom can copies be obtained?

Hon. Gerald Regan (Secretary of State): No, since October 14, 1975, the government has not conducted or financed studies on the subject of subliminal advertising in either the electronic or print media.

(a), (b), (c), (d), (e), (f) and (g) Not applicable.

ACQUISITION OF SHARES BY CANADIAN COMMERCIAL CORPORATION

Question No. 3,090—**Mr. Clarke:**

1. During the period 1970-80 did the Canadian Commercial Corporation acquire shares or other ownership interest in any other corporation, limited liability company or unincorporated company and, if so, what was the (a) name of the corporation, limited liability company or unincorporated company and any subsidiaries thereof (b) percentage of equity acquired (c) cost of acquisition (d) book value of the acquisition?

2. Does the Canadian Commercial Corporation have a plan to change the present portion of ownership in any of these enterprises and, if so, what is the plan?

Hon. Ed Lumley (Minister of State (Trade)): In so far as the Canadian Commercial Corporation is concerned:

1. Yes, November, 1976.

(a) Hermes Electronics Limited, Dartmouth, Nova Scotia.

(b) 10 per cent (527,855 common shares and one preference share).

(c) $3,000,001.

(d) $1.

2. Interests sold in September, 1980.

TURNOVER OF ACADEMIC STAFF IN CANADIAN UNIVERSITIES

Question No. 3,144—**Mr. Herbert:**

Is the government giving consideration to establishing or financing a study on the magnitude and nature of the turnover of academic staff in Canadian universities and on the factors which encourage or inhibit turnover?

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): I am informed by Statistics Canada and the Secretary of State as follows: Statistics Canada collects information annually on the number of full-time academic staff newly appointed to Canadian universities. This information appears in publication 81-241, "Teachers in Universities". Data on the number of academic staff leaving the university teaching community is also available on request from the education, science and culture division.

Presently, the program does not investigate the variety of factors which may or may not encourage or inhibit this turnover.

The Secretary of State is not planning such a study.

CONTRACTS WITH CHRYSLER CANADA AND DIEMACO INC.

Question No. 3,180—**Mr. McKinnon:**

1. Did the Department of National Defence and the Post Office order a light truck from Chrysler Canada Ltd. at the cost of $1,256,660 under contract numbers 72.TS.P0023-1-4067 (OTS81-00140) and 30TV.1091W-3630222 (2TV81-00059) and, if so, what type and for what purpose?

2. Did the Department of National Defence place a contract in the amount of $3,967,000 with Diemaco Inc. for the repair and overhaul of small calibre weapons, components and accessories under contract number MC50.2790538 (2MC81-01106) and, if so, what calibre and how many weapons are being overhauled?

3. Did the Department of National Defence place a $248,000 contract with Diemaco Inc. for a small arms replacement program under contract number 30RW.3131202 (2RW81-01348) and, if so, for what purpose and what calibre of weapons are involved?

4. Did the Department of National Defence place a $62,519 contract with Diemaco Inc. for small calibre weapons under contract number MC50.2749075 (2MC81-01202) and, if so, what calibre and how many weapons are being purchased?

Hon. J.-J. Blais (Minister of Supply and Services): 1. The Department of Supply and Services placed two contracts with Chrysler Canada Ltd., on behalf of the Department of National Defence and the Post Office for light trucks as follows:

(a) Department of National Defence: The contract is for 89 light pick-up trucks with crew cabs at a total cost of $1,246,595.55. These trucks are required for general duty purposes at 17 Canadian Forces Bases across Canada.

(b) Post Office: The contract is for one light commercial van at a total cost of $10,063.84. It was for multi-purpose duties in the collection and delivery of mail in Edmonton, Alberta.

2. The Department of Supply and Services placed a contract with Diemaco Inc. on behalf of the Department of National Defence for the repair, overhaul, modification and reduction to spares of National Defence calibre weapons, components and accessories at an estimated value of $3,967,000. The workload negotiated for this contract during the period August 1, 1981

to July 31, 1983, in order to satisfy the Department of National Defence's requirements is as follows:

	August 1, 1981 to July 31, 1982 (quantities)	August 1, 1982 to July 31, 1983 (quantities)
Rifle 7.62mm, FN, C1A1	4000	5700
Rifle 7.62mm, FN, C2A1	250	250
Machine gun cal .50M2HB flexible and fixed	240	180
Submachine gun 9mm C1	3000	3000
Machine gun 7.62mm C5A1 flexible	250	300
Magazine, cartridge, 9mm 10 rounds	500	500
Magazine, cartridge, 9mm 30 rounds	2500	2500
Bayonet scabbard	2000	2000
Repair of piston gun gas cylinder for Rifle 7.62mm, FN, C1A1	4250	6000
Pistol 9mm	800	1000
Magazine 7.62mm, 20 rounds	15000	20000
Magazine 7.62mm, 30 rounds	4000	4000
Bayonet C1	3500	3500
Modification of machine gun Cal. 30 M1919A4 to machine gun 7.62mm C5A1	250	370
Preservation of rifle 7.62mm C1A1	0	15000

3. The Department of Supply and Services placed a contract with Diemaco Inc. on behalf of the Department of National Defence in the amount of $248,000. The purpose of this contract is to define for government evaluation, alternatives and production implementation requirements to supply 5.56mm weapons and/or combinations thereof plus associated material as may be required for the planning of a small arms replacement program.

4. The Department of Supply and Services placed a contract with Diemaco Inc. on behalf of the Department of National Defence in the amount of $62,518.76 for the supply of spare parts in support of the Department of National Defence's submachine gun 9mm C1 and mount M113A1 carrier.

SURVEY ON PENSION ISSUES

Question No. 3,294—**Mr. Dantzer**

Are the results of the Department of National Health and Welfare's summer surveys of the elderly and attitudes towards the elderly now available and, if not, on what date will they be available?

Hon. Monique Bégin (Minister of National Health and Welfare): The results of the survey on pension issues, conducted by the Department of National Health and Welfare are currently being analysed and prepared for publication. The results of the survey are scheduled for release on or before December 31, 1981.

USE OF STANDARD PAPER SIZES

Question No. 3,329—**Mr. Herbert:**

With reference to the answer to question No. 1,554 of the first session of the Thirtieth Parliament, on what date was metric stationery made available for general use in the public service?

Hon. J.-J. Blais (Minister of Supply and Services): The metric paper sizes referred to in question No. 1554 of the first session of the Thirtieth Parliament were not approved by the Canadian Government Specifications Board committee on paper sizes (now the Canadian General Standards Board), thus this size was not made available for general use in the public service.

The National Standard of Canada for paper sizes, CAN2-9. 60M-76, issued in 1976, includes, for general correspondence use, the size designated P4 which is 21.5 + 28 cm, and is the same size as the 8½ + 11 inch paper generally used for correspondence purposes.

The paper sizes recommended in the National Standard were implemented for use throughout the public service by the federal identity program in 1979.

[*English*]

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

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

Some hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

THE BUDGET

FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The House resumed, from Wednesday, November 18, consideration of the motion of Mr. MacEachen that this House approve in general the budgetary policy of the government.

Hon. Don Mazankowski (Vegreville): Madam Speaker, I understand that I have roughly 15 minutes left in the speech which I started on November 18, 1981.

In my opening remarks I referred to the fact that, in the 13 years that I have been a member of the House, I never had the experience of seeing a budget which was so roundly and universally condemned. In short, I think that members of the House and Canadians at large are recognizing this budget as a formula for economic disaster. If one studies the budget, one can see that it inflicts irreparable damage and hardship on literally everyone and provides relief to no one. It provides no hope or encouragement and it is incumbent upon all of us in the House who believe in representative democracy to fight the passage of this budget in the hope that it will eventually be withdrawn. It destroys the motivation to invest, to produce, to build.

In the time I have remaining, Mr. Speaker, I will deal particularly with the document entitled "Economic Development for Canada in the Eighties". All I can say is that it is a document which is couched in bureaucratic language that emanates from the ivory towers in Ottawa. It clearly offers

nothing in the way of hope or encouragement for increasing the productive capacity of Canada. In effect, it is really a job creation program for loyal Liberals because in that document one sees that there will be the creation of at least a half dozen commissions, task forces and boards which will serve to do nothing more than obstruct, frustrate and harass the private sector; all done in the name of outlining a new industrial strategy.

I must say that this is viewed in many quarters with some degree of suspicion. It is interesting to note the recent publication of a document entitled "Spectrum" put out by the Canadian Imperial Bank of Commerce, the issue entitled "Canada's National Priorities and the Changing World Economy", written by Mr. Russell E. Harrison, chairman and chief executive officer of the Canadian Imperial Bank of Commerce. He points out that there are fewer than 20 years remaining in the twentieth century, the twentieth century that Sir Wilfrid Laurier said would belong to Canada. He further points out that we have but 19 years in this century to fulfil the Canadian dream to which Laurier gave expression—that our astonishing potential, our skills and our aspirations provide the basis for a strong economic finish to the year 2000.

● (1740)

He does point out that Canada ranks among the ten most important countries and economies of the more than 150 members of the United Nations. He also points out that despite our size and strength, Canada has lagged behind most other industrialized countries in recent years in the critical areas such as real growth, productivity gains, employment and ability to control inflation. He goes on to point out:

> The dimensions of our national economic dilemma deserve careful scrutiny.

He points out that the four main aspects of our economic dilemma can be summarized as inflation, lack of growth, productivity and competitiveness. There is absolutely nothing in this document that addresses those crucial problems. He goes on to say:

> Our problems are to a very real extent "made in Canada".

I certainly agree with that. He continues:

> —we should be improving economic efficiency and encouraging new productive investment, especially in sophisticated high technology product and service areas . . . The services sector is the most rapidly expanding sector.

We should be doing more to promote growth in the new high technology industry.

> —our over-all investment in research and development, measured as a percentage of gross national product, ranks well behind other successful industrial countries such as Japan, West Germany and Sweden. . . .
>
> We can no longer rely on riding the coattails of a dominant world power as we have done for most of our history. There is no longer a single dominant economic power in the world, let alone one with which Canada has a privileged relationship. . . . An emphasis on one or two markets, especially ones which are our major competitors, will no longer suffice. We would do well to note that this is central to the strategy of successful countries such as West Germany and Japan. . . . It is market forces—

He is referring back to this document which is supposed to outline a comprehensive industrial strategy. He points out that you cannot rely strictly upon the guesswork of government to develop an over-all industrial framework. He points out:

> It is market forces, not government guesswork, which should guide our economic development and our economic pruning. The industrial landscape in Canada and many other countries is littered with government-sponsored industrial concerns which challenge market forces rather than respond to them.

This is not to say that the role of government is not important, but the role of government does begin with the creation of a healthy economic climate that will contain inflation, provide for the responsible management of monetary aggregates, moderation in public expenditures and a stimulative taxation, regulatory environment, and an effective, long-term approach to energy pricing and supplies. It is this kind of structure and approach that is not contained in the budget and therefore does not provide any hope for our country.

It is very discouraging when one reads that document to find that there is nothing in it to give any hope to individual Canadians and companies to capture the tremendous wealth and potential that we have in this country. What else does the document say? It is almost laughable when one reads on. It points out that as an incentive to agriculture, this government announced it is going to have consultation to develop an agri-food strategy. It says it is continuing its review of the Foreign Investment Review Agency.

For the fishery sector, this government says it is reviewing fisheries policy. For forest-based industries, the government says it will continue consultations. For the mining industry, the government says it will continue consultations and make a report later this year.

For transportation in western Canada, the government says it will continue its meeting this year to try to develop an action plan. I should say there has been nothing done by this government to deal with transportation since 1979 when the Progressive Conservative Party was in office. All we hear about is the vanishing $4 billion western development fund which is now down to $1.3 billion. We are not sure what it is going to be spent on. Suffice it to say it is merely a slush fund.

The government says that to stimulate increased Canadian exports it will create an export trade development board to co-ordinate policy formation. In the final section of the Economic Development Paper on Human Resources, the government again skirts the problem in favour of inaction. It is going to review the labour market policies and have consultations to try to discover what initiatives might be taken for education and job training.

The Minister of Employment and Immigration (Mr. Axworthy) is trying to identify manpower needs and develop strategies to meet them. Canada Employment and Immigration is trying to increase its analytical capability. The entire strategy of this document entitled "Economic Development for Canada in the Eighties" reads as if the entire government had been on holiday for the last ten years and is now trying to engage in consultations and co-ordination, develop ideas, create new offices and agencies to try and figure out what is going on and then figure out what to do.

It will mean nothing more than an obstacle, another action of this government which will discourage investment and production and thereby discourage growth. This budget penalizes investment in this country. We need investment in order to create wealth, produce jobs and have individual Canadians exploit their full potential. We must have investment and increased productivity. We must have investment to advance technological change. We must curtail the mass exodus of capital, manpower, expertise and machinery which is fleeing from this country. There is nothing in this budget which addresses that problem.

As for the impact of the budget on the Toronto stock market, within a week after the budget was introduced it was recorded that the Toronto Stock Exchange index was reduced by some $6 billion. That is hardly an indicator of investor confidence. This lack of confidence comes on the heels of the 12 months of disaster that has been perpetrated on this country by the unfortunate National Energy Program which has been brought in. It has been disastrous.

An hon. Member: Rubbish.

Mr. Mazankowski: The hon. member says rubbish. He should go to western Canada and find out for himself. This National Energy Program is an unmitigated disaster. It has particularly hurt the drilling and servicing sector which is 95 per cent Canadian owned. With regard to the exploration sector, all that has happened is that this activity has shifted south of the border.

I had directed to me a copy of the October 5 Houston *Business Journal*. It is headlined "Canadian connection: Energy, money, politics blur borders". I quote briefly from the article:

> Houston oilmen call the visiting Canadian oilmen "snowbacks". They began to migrate south in 1974 when the first signs of nationalism and anti-Americanism appeared in the rhetoric of Canadian politicians. But since October 1980, when the national energy policy was passed by Pierre Trudeau's government, what was once a trickle of snowbacks has turned into a deluge.
>
> One unofficial estimate places the amount of Canadian exploration and development money spent in the United States since the passage of the NEP at about $2.5 billion. Much of that has found its way to Houston.
>
> Several new oil and gas companies have been formed here backed by Canadian money. Large established Canadian oil companies, such as Dome Petroleum Ltd., have opened offices here. Many small and medium-sized Canadian independents have set up U.S. subsidiaries here to take farm-outs in U.S. operations.

They total something like two dozen new Canadian branch operations which have been opened in the United States. Some 226 rigs and more than 100 service rigs have left Canada for the United States. I quote:

> Although designed for cold weather, many of the rigs have come to Texas. Some Canadian contractors are selling rigs to firms here rather than just moving them south—

In the Edmonton *Journal* of October 5 it is reported that some 235 rigs have now left Alberta for the United States as well as over 100 service rigs. Looking at that in terms of employment, each rig employs about 40 or 50 people and service rigs employ about ten people each. Imagine what that does. That is over 10,000 workers misplaced as a result of a deliberate government policy. It is no wonder that division, anger and outrage is created in the country.

● (1750)

In my constituency of Vegreville *The Wainwright Star Chronicle* carried the headline "Jurassic quitting Canada". This is a very human story, Mr. Speaker. The November 25 edition of *The Wainwright Star Chronicle* reported as follows:

> "It was the hardest thing I've ever had to do."
>
> So says Jim Voll, who laid off 30 employees here and will take Wainwright-based Jurassic Well Servicing's remaining rigs south to Oklahoma.
>
> The decision was taken in the light of federal and provincial policies which continue to destroy the small operator. ... Last fall's National Energy Program ... agreement in September set the stage for the move.
>
> And the recent federal budget was the final straw. ...
>
> "There was just nothing in the budget to encourage us to stay."
>
> Government induced depression in the oil industry here has meant there's just too little work here to remain in business. ...
>
> The Wainwright-based company had operated 10 rigs from here, but sent six to the Oklahoma oilfields last spring. The final four will follow by the new year, Voll says, and the Wainwright office closed for good.

That is in my home riding; that is one of the major centres in my constituency. So much for Canadianization and the promotion of Canadian ownership! They are driving the expertise, the investment and jobs south of the border.

If one were to peruse the budget to see what it was supposed to do for Canadianization and promoting Canadian ownership, one notices that the taxes introduced in the National Energy Program, such as the petroleum, gas and revenue tax and the natural gas liquid tax, proportionately hit harder at the independent oil and gas producers, which are largely Canadian owned. It affects them more severely than the large multinational, integrated oil companies. There is nothing to redress that situation in this budget.

Second, Canadian oil and gas producers need now new equity and new capital to survive and grow. The November 12, 1981, budget restricts interest cost deductibility which will make this process more difficult.

Third, Americans continue to have full interest cost deductibility. Thus, foreigners will find it cheaper to invest in Canadian oil and gas activities than will Canadians.

Fourth, by deeming an interest benefit on loans made for employee stock purchase plans, it destroys a very important mechanism which many Canadian companies use to attract good staff and to motivate their staff to increase Canadian-owned shareholdings of their companies.

Fifth, the November 12 budget requiring the payment of taxes even for non-cash corporate reorganizations will severely affect the ability of many junior oil and gas companies, which are, again, largely Canadian owned, to reorganize their affairs so as to survive the adverse effects of other aspects of the National Energy Program. It penalizes those reorganizations and reduces the ability of junior Canadian oil and gas companies to contribute to the Canadianization of the oil and gas industry.

The National Energy Program is not a Canadianization policy; it is a nationalization policy. There is a fundamental difference between the two of them; there is no question about that.

Let us look at agriculture, a very important industry to western Canada, particularly to my constituency of Vegreville. As far as this budget concerns agriculture, it is a cop-out. Canada's farmers are caught in the squeeze of high interest, high inflation, high input costs and low commodity prices. In our society we know that farmers are price-takers. They do not have the luxury of passing on the impact of high input costs, high inflation and high interest to the consumer.

The Acting Speaker (Mr. Ethier): Order, please. I regret to interrupt the hon. member but his allotted time has expired. He may continue with unanimous consent of the House.

An hon. Member: Is there unanimous consent?

The Acting Speaker (Mr. Ethier): Order, please. I asked if there was unanimous consent. An hon. member was rising in his place; therefore, I have to recognize him.

Mr. MacLellan: Mr. Speaker, I am quite prepared to allow the hon. member to proceed, if he so wishes, for a few minutes.

The Acting Speaker (Mr. Ethier): Therefore, I take it there is unanimous consent.

Mr. Mazankowski: I want to thank my hon. friend for his courtesy; it is most appreciated. Maybe some day I will have the good fortune of returning that particular gesture. I do appreciate it very much.

I should like to deal briefly with two very important high input matters as they relate to the production of food. I think many farmers, particularly in eastern Canada, who have experienced a dramatic increase in the price of fuel, may very well be pointing the finger at the people of western Canada, particularly at the producing provinces of Alberta and Saskatchewan. It should be pointed out that at the present time Alberta and Saskatchewan sell oil for Canadian consumption at a figure of some $21.25 a barrel. More than $10 per barrel is tacked on in the way of federal taxes. This works out at a price of more than $31 at the refinery level. We are still importing some 400,000 barrels a day at roughly $42.38 a barrel.

The high energy cost, the high fuel cost, is attributable to the rip-off which is occurring by the federal government on the backs of the producers. Roughly 57 cents a gallon in the form of federal taxes is levied upon fuel which is used for the production of food. The excise tax of some seven cents is refunded upon application. So really 50 cents a gallon is levied against the producers of Canada for the production of food. This is a very substantial amount of revenue in the hands of the government.

As a matter of fact, if one were to look at the increase in the price of fuel in 1981, 75 per cent of the increase was attributable to federal taxes. Canadian food producers consume about 900 million gallons of diesel fuel and gasoline on an annual basis. If there is a 50 cent per gallon federal tax levied on that fuel, that amounts to some $450 million.

I believe it is terrible to think that the Government of Canada, which wants to pursue a cheap food policy, would have the audacity to impose that kind of taxation on the farmers of Canada who have no way of recovering that cost. Surely there is room for a 25, 30 or maybe even a 40 cents rebate. A 30 cents rebate would amount to some $270 million.

Let us look at fertilizers. At the present time the equivalent federal tax for the natural gas that is used for producing a tonne of ammonia is equal to $25 per tonne. Under the new energy agreement by 1985 the federal tax will increase to some $72 per tonne. If the federal government wanted to provide some relief to the producers of Canada, it could do so by modifying that tax. As it is, it is a federal government rip-off. There are substantial federal government revenues being generated on the backs of the producers who cannot recover and pass this cost along. The government is, in effect, penalizing the producers of Canada and not coming to their aid. I suggest that if this government were interested in preserving an effective food production system, this tax should be exempted or at least modified or reduced. It is one of our natural resources that should be used as a benefit for all Canadians, not as a benefit to or as an instrument for a major tax grab by the government.

We meet here today at a time when our agricultural industry is being severely threatened. It is a situation that is most serious throughout the country. Perhaps it is more serious in Ontario than it is anywhere else. Out of the 230 farm bankruptcies that have been reported since the beginning of the year, some 126 have occurred in the province of Ontario.

The Acting Speaker (Mr. Ethier): Order, please. It being six o'clock, I do now leave the chair until seven o'clock.

At 6 p.m. the House took recess.

AFTER RECESS

The House resumed at 7 p.m.

Mr. Russell MacLellan (Parliamentary Secretary to Minister of Regional Economic Expansion): Mr. Speaker, I am pleased to have the opportunity to address the House on the recent budget presented by the Minister of Finance (Mr. MacEachen). I must say at the outset that this budget confirms very clearly the government's firm commitment to economic leadership, the determination to counter the forces of inflation and to maximize economic opportunities for Canadians in all parts of Canada. This can be seen throughout the document. That is why I am strongly supportive of the measures which the Minister of Finance proposed.

The minister presented a responsible budget. Its themes of restraint, equity and economic renewal are certainly appropriate to the changing social and economic conditions we face in

Canada today. One of the ways the minister has striven to meet these goals is through reform of the tax incentive structure. A year ago he announced that he would take a hard look at tax incentives. He has done precisely that. Tax incentives tend to pyramid, with the result that a number of profitable corporations or wealthy individuals have very little or no tax. On the other hand, there has been a large group of individuals and corporations which have not been able to take full advantage of these tax benefits. These people and companies can be found primarily in the smaller communities of the country, in particular in those provinces which suffer most from economic and social disparities. That is why I welcome the review and that is why I applaud the results. Moreover, I hope the Minister of Finance will continue to examine and improve the federal tax structure, for I believe corporate tax incentives can be a very positive force for both national and regional economic development. The Government of Canada demonstrated that concern last year through the creation of the 50 per cent investment tax credit program which is helping to bring much needed development to those parts of Canada where it is sorely needed. I believe that further consideration of the regional effects of all elements of corporate tax incentives could contribute substantially to the equitable distribution of economic opportunity and to the more effective use of underutilized resources.

I am sure hon. members on both sides of the House recognize that national economic renewal cannot be achieved overnight; there is no quick solution. However, the budget and its accompanying economic development statement form the nucleus of a comprehensive economic approach to economic development in Canada which, if followed, will bring about the renewal we are all seeking.

This summer the Minister of Regional Economic Expansion (Mr. De Bané) was a member of the ministerial committee which prepared the new economic development policy framework. I know that the document entitled, "Economic Development for Canada in the Eighties" fully reflects his determination to deal with the problems of inflation, high interest rates and unemployment through a long-term comprehensive program of industrial renewal.

Today I should like to focus on the basic principles which will guide the direction of these national policies and programs, and to say a few words on what they mean for Canada's regions. Quite simply, the government's priority is national economic renewal. Its policy focuses squarely on industrial innovation, as well as the restructuring and improving of the processes of adjustment in all areas of Canada. To this end it states clearly that "regional economic development will be central to public policy planning at the federal level". I am most reassured by this statement, for I have long held that the regional character of Canada's economic environment is of prime importance to all of us.

● (1910)

Along with the Minister of DREE I have also emphasized the need for a comprehensive framework for economic development which must surely be based on the support and strengthening of our regional economies. I am sure all members of the House, and particularly those who were members of the Standing Committee on Regional Development who have worked closely with the minister, appreciate the complexities of integrating national and regional development objectives. The committee members in particular will also recognize that the main directions for the regional policy were enunciated in documents tabled at the standing committee some time ago.

The main elements outlined at that time, as hon. members will recall, were the development of human resources, the need to overcome barriers to growth, the requirement to promote industrial renewal and adjustment and to enhance interregional linkages by allowing the free flow of goods, services, capital and people within Canada.

Not only are these goals appropriate for the regional needs of our country, I am pleased to say they have also been given and accepted as central to the government's over-all policies and priorities for national economic development. It is now clear that this government is firmly committed to the development of our regions. This fundamental commitment will now be seen as being integral to the decision-making process of all our economic departments.

I am most pleased with the central position that regional economic development has been given. DREE has fully participated in the formation of the government's new economic policy framework, and is now embarked on an elaboration of that statement for each region of this country that will enable this policy to become a reality.

The objective, if I may paraphrase the words of Ontario's minister of industry, is to forge and strengthen the economic links which bind our nation together. We must recognize that the Government of Canada cannot achieve these goals alone. Both the federal and provincial governments have economic development responsibilities. Therefore, joint planning and co-ordination is essential.

The federal government has forged some important new links in the past few months, first with the signing of federal-provincial agreements on energy and second with the federal-provincial agreement on a made-in-Canada Constitution, which contains a commitment by both levels of government to regional development and equalization. Let us continue to strengthen those links.

I believe that federal and provincial governments can and must work side by side to realize the economic opportunities that are before us. I also believe that the federal government's role in the implementation of regional development programs needs to be more clearly defined, recognizing once again that both levels of government have economic development responsibilities. Let us sit down together and discuss our plans and strategies. Let us seek to establish common objectives and priorities for regional development programs. Let us determine where the federal government can make its best contribution, and where the provincial governments can make their best contribution.

Planning and co-ordination of regional policies will be no less difficult than the energy negotiations or the constitutional negotiations. But I believe they can be equally rewarding.

A new set of economic relationships will build on our strengths which can be found all across our country. A new set of relationships will include the Atlantic region, Quebec, Ontario and the west in a genuine and just economic partnership. Co-ordinated strategies for the development of Canada's regions—complementary strategies—are essential to the building of that economic partnership.

The development of industry, natural resources, transportation, exports and Canada's human resources requires that the national government gain a thorough understanding of the circumstances and concerns in each region. Furthermore, the economic development framework accompanying this budget promises that special attention will be given to those areas of the country with the lowest per capita incomes and highest unemployment.

In this way, we will be working to reduce those economic and social disparities that exist between the various regions of Canada. These disparities are particularly prevalent in Canada's rural and more remote areas and among our native peoples. But in order to attack disparities, we must have accurate information for planning our programs. However, to date, even measuring these disparities has been a real challenge. But as members of the Standing Committee on Regional Development know, DREE has placed a high priority on the development of a small-area data system which will greatly assist our planning. It will also enable members of the House to gain a better understanding of economic circumstances in their own areas. In the near future, the Minister of DREE expects to be in a position to advise members of the House of a new, more comprehensive data system that will be able to respond to their real needs for information and statistics about their constituencies.

I would now like, Mr. Speaker, to look at some of the regional development issues we will face in the coming decade. We are indeed fortunate that throughout the 1980s, there will be genuine prospects for growth in every region of Canada. Of course, our regional dynamics mean that there are distinct problems that must be faced. The opportunities, as well as the constraints, must be addressed if we are to meet the challenge successfully.

The Atlantic region has areas that have begun to prosper in recent years, but there are also too many areas, such has my own constituency of Cape Breton-The Sydneys, where a great deal remains to be done. Nevertheless, the Atlantic region is, in fact, entering the 1980s well positioned for a decade of solid growth. The challenge here is to promote the expansion of enterprises capable of taking advantage of new markets, products and technologies which are emerging in world industrial markets.

[*Translation*]

Quebec is facing specific problems of industrial readjustment, especially in labour-intensive, low technology industries such as the textile, clothing and shoe industry. That province has a large number of mature industries that will have to meet stiffer and stiffer international competition. While in the seventies emphasis has been put mainly on public investments, ways must now be found at all costs to increase investments in the private sector. Emphasis must be put mainly on high technology industries, promoting industrial research and the creation of export industries, especially those connected with the processing of national resources. Local and community development, aimed in the first place at areas where unemployment is highest and per capita disposable income is the lowest, must be a priority. We must also give back to Montreal its role as Canada's first trading centre, promoting the growth of its industrial and service industries and reconfirming its international status.

• (1920)

[*English*]

Ontario remains one of the strongest provinces in confederation, but there has been a relative weakening of its position within the national economy over the last decade. It is increasingly apparent that the Ontario economy must undergo a process of industrial renewal in order to adapt to changing conditions in international trade and to capture the opportunities which will be generated by major energy and other resource projects elsewhere in the country.

For several years, now, the west has been the fastest growing region in Canada, and the prospects for the future are that this rapid growth will continue. Economic growth has not been even, however. The west is now faced with a number of constraints: soil and water supply problems in the dry southern prairies; the inadequacy of the transportation systems, especially the bulk handling export delivery system; and, most critically, the short supply of skilled manpower. These, then, are the major regional development challenges we must face in the eighties.

I know that with this new policy framework, we will be able to meet these challenges. By recognizing the regional dynamics that underlie our country's economic and political structure, we will be able to achieve the renewal we seek, for economic renewal through the promotion of initiatives in the priority areas of industry, natural resources, transportation, exports and human resources can come about only through a development policy based on the needs of Canada as a whole, and its distinctive regional components.

As the government of Canada strengthens its capacity to integrate regional development concerns into its total policy-making process, I know that we will be able to make great strides toward achieving our goals of equity and economic renewal. This understanding of the needs of all Canadians in all regions is central to the economic development policies of the Government of Canada.

In this budget, the Government of Canada has pledged itself to the principles of equity, restraint and economic renewal. I,

along with the Minister of Regional Economic Expansion, endorse these principles.

Some hon. Members: Hear, hear!

Mr. Douglas Neil (Moose Jaw): Mr. Speaker, I wish I had as much enthusiasm as the hon. member who spoke previously with respect to the budget, because I listened with interest on November 12 last, when the Minister of Finance (Mr. MacEachen) presented his budget in the House. He stated that there were three themes to his budget: restraint, equity and economic renewal. With respect to restraint, he said, in part:

> There is need for restraint on the part of the government and restraint on the part of all Canadians.

With interest rates running at 20 per cent, unemployment at record highs, more lay-offs on a daily basis, inflation rate at about 12.8 per cent, and increased energy costs amounting to an additional $1,400 a year per family, individual Canadians have little choice but to exercise restraint. The government's restraint program, on the other hand, is to increase expenditures by some 20 per cent.

The minister talked of equity and about an overhaul of the tax plan to clear what he called loopholes. It was a Liberal government and a succession of Liberal finance ministers who brought in these so called loopholes. But they were not loopholes when Benson, Turner, Macdonald and Chrétien introduced them in the House. At that time they were tax incentives, incentives to encourage growth in the economy, to create new jobs, and to encourage construction and incentives for individuals to invest and for business to expand.

The Minister of Finance was a member of that government when all these measures were brought in. I do not ever recall the Minister of Finance, before he assumed his portfolio, standing up in his place in the House and saying that the measures, when they were introduced by former finance ministers, were unfair. On the contrary, he applauded them. On Thursday evening, November 12, very piously, in an attempt to cleanse his soul, I would suggest, he almost made it appear that those who had been making use of the incentives that he and his colleagues had passed as the law of the land were doing things which were not quite legitimate. I think he will have difficulty in persuading young working people who were borrowing money from the banks to buy RRSPs and claiming back interest as an expense, that they were taking advantage of a loophole; or that individuals who were making use of income-averaging certificates or who were deferring the capital gains tax after having sold the capital assets under agreements for sale were taking advantage of a loophole.

The minister spoke of economic renewal when he said:

> This decade offers exceptional opportunities for strengthening and diversifying growth in every region in Canada.

He tabled a major policy document on economic development for Canada in the eighties, and the hon. member who spoke previously referred to that document.

In the last decade that I have been here in Parliament successive Liberal governments and finance ministers in the past have always talked of major policy changes, industrial strategy, and the opportunity for Canada and Canadians in the decade of the seventies. Did it take place? Let us examine the record. In 1970-71, the budget was for $14.6 billion. The last budget we have, the 1980-81 budget, is for $65.5 billion. In 1970-71, the beginning of this decade, the gross public debt was about $37.5 billion. In 1980-81, the gross public debt is over $122 billion. The interest on our public debt now exceeds our total budgetary expenditure of ten years ago. Our inflation rate has climbed to over 12 per cent. Unemployment is over 8 per cent, with almost one million unemployed people in our country. Bankruptcies of small businesses and farms are increasing, there are daily lay-offs in industries, and there are mortgage foreclosures because individuals cannot renew their mortgages and meet the high payments required monthly. Our standard of living is well below that of most developed countries.

We had exceptional opportunities in the seventies, and the government blew it because, under the leadership of the present Prime Minister (Mr. Trudeau), the Liberal Party has moved to the left, toward socialism. The government abandoned the principles of its predecessors who realized that this country was built on individual initiative and a free enterprise system tempered with compassion for the sick, the unfortunate and the elderly. The policies and the programs of this government has been such since the present Prime Minister took over that, generally speaking, Canadians have lost the initiative and the desire to risk their future and their capital on an enterprise which not only has to struggle in the marketplace, but, worst of all, is also plagued with complicated and uncertain tax laws, and, on top of that, government red tape, bureaucratic indifference and all the frustrations that go with the operating of a business.

• (1930)

It is a sad commentary on this great country of ours. The budget that was handed down on November 12 is of great concern not only to my constituency but to the whole of the country. Not only does it affect the economy, but it affects individuals and businesses.

I would now like to examine a few of the proposed changes. Let us consider the effect of the provision regarding interest deductibility. What does that mean to small businesses and to small corporations, and what will it mean to employee-sharing programs? I would suggest it means a drying up of capital and the possible disappearance of many small businesses. Small businesses are the backbone of our economy because they are Canada's major employer. Small businesses create jobs. Do we want to see business initiative disappear even further? Do we want to deny our young people the right to invest without a reasonable prospect of a return on that investment? More and more young people are reluctant to take over their parents businesses because of tax problems and government red tape, both provincial and federal.

Over the last two or three years I have talked in particular with two businessmen from my constituency who had excel-

lent, well organized and well paying businesses. They had sons who, they thought, would take over their businesses. The opportunity was there for their sons. However, in both instances the sons told their fathers that in no way could they take over the businesses. With all of the risk, all of the problems and all of the government red tape, as well as the bureaucratic procedures that have to be followed, the sons told their fathers they would sooner get jobs elsewhere.

The sons went off to university, got degrees, moved out of the province and are working for major companies. There is a good chance those two businesses will disappear because the young people who have the initiative to make a go of business are not there.

What about interest deductibility that is being denied or restricted to the amount of income from investment? I ask the Minister of Finance what is the situation with respect to a young farmer who borrows money from the bank or the Farm Credit Corporation to buy some land? Generally speaking, because he has payments on machinery and other expenses, he does not really have an income. Is he going to be denied the right to claim the income that he pays on his loan as an expense? The government is not in a position to answer that question. The question has been asked. But that situation is all up in the air.

What about taxation on life insurance? Nearly everyone has life insurance. When one is young, newly married and starting out in life, one buys life insurance to guarantee that one's wife and children will be taken care of if something happens to the breadwinner. It is a secondary consideration that the insurance will create some sort of an estate for the individual on retirement. But what does this budget do? It taxes policyholders every three years on accrued interest and benefits. A few days ago I received a letter from Life Underwriters Association of Canada. The letter gives an example of a purchaser aged 25 who opted for a $25,000 whole life contract with an annual premium of $237.25 paid with after-tax dollars. By choosing to use his dividends to purchase paid up additions, he hoped to offset the ravages of inflation.

I should point out that the death benefit by the time this individual reaches the age of 73 totals $131,575. But under the present regulations proposed in this budget, this individual would have to pay a total of $28,357.43 in income tax on money that he never even saw. He would be paying that $28,357 out of after-tax dollars.

It is almost unbelievable what has been set down in this budget. There are proposed changes in the Small Business Development Bond program, but one has to be almost in bankruptcy before one can qualify for these bonds. I talked to a banker a few days ago and asked whether he was lending any money under the Small Business Development Bond program. He told me that he had been doing so for some time, but that since the budget came down he had not. "Why would I lend money to an individual on the verge of bankruptcy?", he asked me. "There is no government guarantee on the loan. I would be foolish to lend money," he said.

Let me refer to *The Globe and Mail* issue for Saturday, December 5, 1981. In it, there is an article about Small Business Development Bonds and the Farm Credit Corporation. Hon. members will recall that in the budget some $45 million was set aside to help farmers in need under the Farm Credit Corporation. I want to put on the record part of the article that appeared in last Saturday's *The Globe and Mail*. It commences:

> Despite a flood of applications for the low-interest emergency farm aid promised in the federal budget a month ago, only three farmers across the country have received any money from the program.

The article continues:

> Farmers can't apply for the federal money unless they have been turned down for a Small Business Development Bond first, and many banks have not been processing those applications because the federal government has not made clear who is eligible for the bonds, which the budget made available to unincorporated farmers.

On November 12, almost a month ago, the government handed down a budget. But the government does not know who qualifies for the Small Business Development Bonds. It cannot even tell the banks who qualifies. This is unbelievable.

Capital cost allowances have been cut in half for the first year. Has the government considered the effect this has on business, on industry and on farmers? Can the minister not see that this will have a very serious effect on the farm implement manufacturing industry and, on the farm implement dealers around the country? If farmers are restricted by the capital cost allowance, they can claim in the first year, they, along with other businessmen will not buy in the early part of the year. They will wait until the last day of the year. They would be foolish to do otherwise.

What concerns me, however, are the changes with respect to capital gains, particulary as they affect farmers and small business people. Over the years farmers and small business people have traditionally looked upon their business or their farm as the means by which they might have some money when they reach retirement to buy themselves a home and to supplement their old-age security pension. In many cases the only asset that a farmer and a small businessman has when reaching the age of retirement is land, inventory and machinery. When there was no capital gains tax in effect, there was no problem. In 1972 when the capital gains tax was brought into being as a result of the white paper on taxation, the problems began. Even so, a farmer or businessman had the opportunity of purchasing income-averaging certificates and the right to sell land or assets on time and to defer capital gains.

● (1940)

The capital gains tax has had a real effect on land values, and farmers are now faced with substantial capital gains. A farmer who sells his farm usually moves into the city or town and often buys a house, and it takes a pretty good chunk of the money realized on the sale of the farm to pay for that home. What does this budget do? It takes away the right of the person who has a capital gain to invest in income-averaging certificates. It takes away the right of a farmer or a business-

man to sell land or assets on terms over a period of time and to defer that income.

What is even worse is the fact that this government is changing the rules in the middle of the taxation year. This is just like running a horse race with the opportunity of deciding when the race is going to end. Obviously you will end the race when your horse is ahead. That is what the government is trying to do by changing the rules in the middle of the taxation year.

There are many farmers and businessmen in this country who, based on the rules, regulations and the law which existed this year, sold their farms and their businesses, anticipating they would be able to purchase income-averaging certificates until the end of March of next year. This opportunity was cut off on November 12.

I talked with one farmer who, as a result of the November 12 budget, will be faced with a tax liability of some $100,000. I talked to another farmer who wanted to make arrangements to divide his land among his family to be disposed of on his death. As a result of this budget, he is faced with a tax liability of some $71,000 and he has only three quarters of a section. This is unbelievable.

It seems to me that the very least this government could do is to say to those farmers, businessmen and people who incur a capital gain this year and who have based their sales and plans on the laws that existed, the law will not be changed as of November 12 but will remain the same until the end of the taxation year. That is only fair. In a few minutes I will come to another aspect of the unfairness of this budget.

Having regard to capital gains, I suggest that the minister should set up an all-party committee to consider perhaps the elimination of the capital gains tax, the exemption of capital gains from taxation up to a certain amount, or perhaps the updating of the valuation day. This was promised by the Liberals in the 1979-80 election campaign. The present leader of the Liberal Party in Saskatchewan said at a news conference in Regina, "If you elect a Liberal government, we will update evaluation day." What did the Liberal government do? It took away any benefit the farmer or businessman had when it comes to capital gains.

Such a committee should also give some consideration to the Farm Credit Corporation. The Minister of Agriculture (Mr. Whelan) has complained about money being expensive. The interest rates on loans from the Farm Credit Corporation have increased I believe to 16.25 per cent or 16.75 per cent.

On numerous occasions members of this party, including myself, have suggested to the minister that perhaps one solution to the capital gains situation in relation to farmland would be to allow farmers who have capital gains to invest the capital gain portion of the selling price with the Farm Credit Corporation in the form of bonds. If a farmer did this and undertook to leave the money there for a period of five years, there would be no capital gains tax on that portion. The farmer could be paid interest at the rate of 5 per cent or 6 per cent, and that would not be taxable. The result would be that money would be made available to farmers at cheap rates, particularly to young farmers.

I should like to read part of a letter I received the other day from a young farmer. He says:

> I am . . . 21 years old and have lived on the farm all of my life. I now wish to farm for a living and am now renting three quarters of (a section of) land. I now have an opportunity to buy a half section of land. My father is well established financially and operationally but he is a small farmer and is limited in helping me get established. He is helping by renting his machinery to me and is partly financing me to buy this land. I will be working it off in a construction job and will subsidize my farming operation with this income.
>
> Although all these things are in my favour (my young age, experience of living on the farm and renting land, my father's help with machinery and financing me, my subsidizing the farm) I find that a loan from Farm Credit Corporation at its high interest rate makes repayment possibilities so close and risky it is unsafe and unwise to buy.

He wrote to me and asked, "What can I do?"

I would suggest to the Minister of Finance that he examine the proposal put forth by this party to allow farmers to put capital gains into the Farm Credit Corporation which would enable it to lend money to young farmers at perhaps 7 per cent or 8 per cent, a rate with which they could live.

Finally I come to the matter of taxation of severance pay. The taxation of severance pay rules apply to all public servants, members of the armed forces and the RCMP or anyone who receives superannuation from the government. Within the last week I have had two telephone calls from people who are government employees, one in the Armed Forces and the other in the RCMP. They face compulsory retirement because of their age. They knew what the tax law was, and they made their arrangements based on that law. The money that they were expecting to put into RRSPs or income-averaging securities never came in time to beat the November 12 budget. What happened is that these individuals are now faced with the fact that their severance pay is completely taxable. One of these people is faced with a tax burden of $7,000 or $8,000. It is absolutely unfair that the rules were changed in midstream. The Minister of Finance and the bureaucrats who worked on this budget never considered the effect of this budget on individual Canadians, the farmers, businessmen and corporations. If they had, they would not have brought in a budget such as this.

• (1950)

It is clear that the budget has caused hardship, confusion and anger across the country. One solution would be for the government to withdraw this budget, but I doubt very much that it would do so.

I suggest that the provisions of this budget should not be implemented until they can be studied by the various concerned committees. If the Minister of Finance is not prepared to do this, I think his only alternative is to resign.

Mr. Peter Lang (Kitchener): Mr. Speaker, in taking part in this debate I will take three approaches; the economy in general, the budget in relation to the economy, and then the international influence on our economy.

The number one complaint about the economy that I hear from my constituents in Kitchener is not inflation. It is, rather, a combination of feelings and thoughts which I would characterize as uncertainty, fear, anger and hopelessness. This mood of the people is a number one problem. They do not have any confidence or belief that our economic problems can be beaten and, without that confidence, there is less chance that any measure directed at dealing with the economic problems facing us will be accepted as a positive course or that it will have a positive impact.

The Minister of Finance emphasized that point and its importance in his budget speech when he said, "The key which can open the door to our future is a change in our attitudes and expectations. We will move much more quickly to non-inflationary growth if the conviction spreads that we are heading back toward stable prices and lower interest rates".

People do not expect miracles. Canadians have tightened their belts, but they do not want to tighten their belts on a rollercoaster that is leading nowhere and from which the weak fall off. Many Canadians perceive this to be the situation, and I will deal with this particular issue during my speech.

Before focusing on the economic problems and courses of action we have taken and can take, I would like to point out that members of the House have identified high interest rates, inflation, unemployment, low productivity and foreign ownership as our major enemies. Unlike most hon. members, many Canadians do not see the need to sacrifice one against the other, and I agree with that view.

The Economic Council of Canada concurred with this in its report of October, 1981, and offered two concrete proposals to bring down inflation while at the same time lowering interest rates and lessening the negative impact on unemployment and economic slowdown.

John Kenneth Galbraith also seems to agree on this point and, further, offers different proposals which I will discuss in more detail later.

Turning now to the economy in general, I would like to discuss what I see to be our approach to the macroeconomic and structural aspects of the Canadian economy. The first area is economic measures which have already been taken outside the budget that serve to set the economic framework in which the budget will operate. I support the principle of a strong national government with the necessary tools to face our economic challenges. I do not support the "community of communities" principle espoused by the opposition. I see this principle leading to the further balkanization of our country, resulting in ten fiefdoms fighting common enemies with uncoordinated and often contradictory strategies.

Canada must have a strong national government to direct, co-ordinate and unify our country's attack on our economic problems. Our government has gone a long way toward this goal through the Constitution, the National Energy Program and the energy agreements between the national government and some provinces. The increased revenues from multinationals and the long-term reduced capital outflow have done much more than any five budgets in the past to enable us to reduce our deficit, thus easing the pressure on interest rates and inflation, as well as helping to balance our current account deficits over the long-term.

The second area that must be considered is the impact of the United States economic strategy. Any Canadian budget is based, to a large degree, on the estimated economic performance of the United States. The United States owns and controls over 60 per cent of the energy and manufacturing sectors of our economy. As well, it is our largest trading partner, with 70 per cent.

President Reagan now concedes that the United States economy is in a recession that, as he put it, "none of us predicted." Let us consider the dramatic changes in the economic policy in the United States since it was first proposed in the 1980 election campaign. In that campaign, President Reagan set forth his platform of massive tax cuts, massive cuts in social spending as advised by David Stockman, a massive decrease in defence spending, monetary restraint, which was a policy advanced by Paul Volker, a balanced budget by 1984, reduced inflation and strengthening of the economy through supply side economics. Even then, many political and economic observers said that the arithmetic did not add up.

What has happened since the election campaign? President Reagan appointed David Stockman as the director of the Office of Management and Budget, or OMB, in the United States. In this capacity, he has control of the United States budget and is a major influence on United States economic and social strategy. This is similar to the role of the Minister of Finance in Canada.

Mr. Stockman's major problem was reconciling President Reagan's contradictory campaign promises of raising defence spending, cutting income taxes and balancing the budget all at once. Mr. Stockman's supply side approach to economics was premised on faith, as he admitted, not on economic factors or economic studies, but on faith.

When President Reagan's economic platform was put into the OMB computer, Mr. Stockman was shocked by the results. It showed that the United States deficit would be $82 billion in 1982 and $116 billion by 1984, a level unprecedented in peacetime. David Stockman realized that if this occurred, the stockmarket would panic, interest rates would go higher and long-term inflation would be a certainty. Therefore, the OMB computer was reprogrammed by supply side economists. Instead of being given the orthodox assumptions of how the economy would behave, it assumed a fast decline in prices and interest rates and a huge increase in productivity. Even when these irresponsible assumptions were fed into the computer—which the United States economy has since shown not to be valid—the deficit still showed $60 billion annually, which was also unprecedented in peacetime.

President Reagan has also promised to increase defence spending by $1.6 trillion over the next five years. This is more than double the annual United States budget. This increased defence spending has resulted in such a massive deficit that

there is now excessive monetary restraint, which still leaves unquestionably high interest rates.

David Stockman's most disconcerting admission was that the administration's budget was based on shaky premises which did not add up. He stated:

● (2000)

None of us really understand what's going on with all these numbers. You've got so many different budgets out and so many base lines and such complexity now people are getting from A to B and its not clear how they are getting there. Its not clear how we got there.

This is the man who designed the U.S. budget. Even so, Reagan's economic plan was a political success. It was not a success on Wall Street though. The inflation rate was declining, but Stockman conceded this was due more to good luck with grain harvests and world oil supplies than anything Reagan had done. Stockman's original idea that the dramatic political moves would affect the market's expectations of continued high inflation was wrong. He discussed what had gone wrong in this way:

The defence numbers got out of control and we were doing that whole budget-cutting exercise so frantically. In other words, you were juggling details, pushing people, and going from one session to another, trying to cut housing programs here and rural electric there, and we were doing it so fast we didn't know where we were ending up for sure . . . and it didn't quite mesh. That's what happened. But, you see, for about a month and a half we got away with that because of the novelty of all these budget reductions.

Mr. Nielsen: Sounds like U.S. *News* and *World Report*.

Mr. Lang: Hon. members opposite may not understand the importance of the impact of the U.S. economy on the Canadian economy, but it is of significant importance. If we want to understand how our budget operates in this economy, we should be aware of what is happening in the United States.

There was nothing new about Reagan's new Republicanism in which the oil companies win and the poor lose. Stockman said it too. He stated:

Power is contingent . . . The power of these client groups turned out to be stronger than I realized. The client groups know how to make themselves heard. The problem is, unorganized groups can't play this game.

Stockman's final analysis of the whole mess:

Whenever there are great strains or changes in the economic system it tends to generate crackpot theories, which then find their way into the legislative channels.

I have a number of points to make on the fiasco of President Reagan's program on which the U.S. budget director has reported.

First, the importance of Canada gaining control of its own economy through Canadianization with the National Energy Program and through the Foreign Investment Review Agency is underlined. However, the timing of this is also important, as will be discussed later. We must use economic strategy increasingly and tools that target on domestic inflation, interest rates and economic growth.

We cannot assume any positive impact on our economy from the United States. Adjustments in our policy may have to be considered in light of this new information that David Stockman has given us since our own budget was outlined. However, it is a good sign that Mr. Stockman has had the courage to tell it like it is, which may generate enough political pressure on President Reagan to get his act together.

The third area I will consider with respect to the economy in general is monetary policy. The responsibility of the Bank of Canada, and I quote Governor Bouey:

—is to discharge its parliamentary mandate, to regulate credit and currency in the best interests of the economic life of the nation.

Until now we have seen monetary policy being used as the bulwark of anti-inflationary methods by most countries of the western industrialized world. Paul Volker of the U.S. Federal Reserve Board has been the pacesetter, and again we have seen the dramatic impact of U.S. measures in Canada. Our interest rates follow theirs like a slow but persistent tracking dog, not getting up to the same peaks or as deep into the valleys but nevertheless always on track.

It is of interest to note Governor Bouey's comments on this in the 1980 annual report of the Bank of Canada. It states this:

Although control over the rate of monetary expansion is an essential component of an effective anti-inflationary policy it should not be the only element. If it is left to carry the whole load it may, to be effective, have to involve such high interest rates as to be very disruptive to the functioning of the economy. Very high interest rates have an uneven impact on the economy, affecting particularly those areas of activity that typically involve the use of large amounts of credit, as for example, house building. The slowing of inflation will be accomplished with much less economic and social strain if policies elsewhere in the economy help the process.

Despite these statements we see that the recent fall in Canadian interest rates has been impeded by the Bank of Canada. This is inconsistent with the bank's own guides to action, the value of the Canadian dollar and the growth in money supply as measured by M1.

If this continues, it will hold interest rates unnecessarily high and deepen the recession that is already causing widespread lay-offs. The constituents in my riding are well aware of this.

Governor Bouey used to state that a strong dollar meant that we could lower interest rates, but he is now letting our dollar rise relative to all other currencies. The other determinant of interest rate policy has been the growth of the money supply. Instead of letting the money supply grow by up to 4 to 8 per cent per year, the target announced, the Bank of Canada has allowed no growth at all in the past 12 months. In fact, the M1 money supply has declined by $1 billion from October 1980, from $25.2 billion to $24.2 billion.

The Bank of Canada itself has said the minimum to keep our economy growing without inflation is $26 billion, or we are short of $1.8 billion. Hence, the Bank of Canada has the elbow room to ease up on tight money allowing some increase in growth and decreased interest rates. When money is kept this tight, it means that interest rates are higher than necessary and are only exacerbating inflation.

I would now like to consider the budget in relation to the economy. Looking at general economic policy and the budget, we can see a number of adjustments that have validity and can

be made to improve our prospects. First, considering restraint, we have seen that there has been excessive monetary restraint and that we can increase our money supply without any inflationary impact, leading to an immediate decrease in pressure on interest rates as well as increased employment and productivity in the short term.

Next I would like to consider expenditure control. I have received numerous representations from my constituents on the importance of expenditure. In this area, the government has a rate of expenditure growth of 16.3 per cent for this fiscal year. Apart from public debt charges, the total dollar amount charges that will be spent are less than the amount forcast in the budget of October, 1980.

The government has had to pay an additional $2 billion in public debt charges because of higher interest rates. It is this increase, not new spending programs, which accounts for the unexpected increase in our expenditures to 16.3 per cent.

The budget sets out a program for steady reduction of the deficit. Financial requirements are expected to decline from $9.8 billion in 1981-82 to $6.6 billion in 1982-83. Most important, financial requirements are less than anticipated in the October 1980 budget. They are $1.2 billion less in 1981-82 and $1.8 billion less in 1982-83.

The second major principle of the budget is equity. There is little question that the major inequity we have in our economy today is high interest rates. The increased revenues from the multinational oil companies as a result of the energy agreement as well as fiscal measures discussed above are in the right direction in terms of alleviating pressure on interest rates.

Aid has been targeted to home owners with mortgages coming due, small businesses and farmers. These groups have borne an inequitable burden of the fight against inflation. My constituents inform me that this aid is not having the desired impact, partly due to poor co-operation from the banks. Further pressure on the banks is required. It is important to note that an excessive increase in bank profits due to higher interest rates is not an equitable situation, as clearly they are not bearing any of the burden in the fight against inflation. In fact, they appear to be profiting from it.

Considering equity further, we have the suggestions of more direct price-cost control advocated by John Kenneth Galbraith. Adding to this adjusted monetary and fiscal policies, as he suggests, enables us to deal with the cost-push component of inflation with considerably less negative impact on interest rates. Furthermore, he points out that decreasing interest rates frees up capital for industrial modernization and economic growth. Just as important, in terms of equity, employment prospects are dramatically improved.

● (2010)

I am disappointed that we have not seen more constructive alternatives put forward by the official opposition. Is it because, in their own self interest to gather power, they are afraid to propose constructive measures that will always have a downside to them and hence lay the opposition open to criticism? Nowhere in this debate have I heard direct price cost controls being discussed, and despite both their merits and detractions, they have been used with varying degrees of success against cost push inflation since World War II. They have been used by many countries such as the U.S., Britain, Switzerland, West Germany and Canada.

I do not put it forward as a panacea, Mr. Speaker. However, I ask a number of questions. Is it wise to abandon completely the major bulwark of anti-inflationary policy in the past, a policy that has proven by experience in many countries to be at least partially successful. On adopting monetary restraint to deal with excessive total aggregate demand, the new and as yet unproven anti-inflationary theory, should we abandon totally the cost push theories of inflation and direct price cost controls? Is not the inequity of excessive monetary restraint, which cuts aggregate demand through high interest rates, decreasing economic growth and unemployment, greater than the inequity of direct price cost controls? Should we not consider the pros and cons of adding direct price cost controls to monetary and fiscal restraint by taking some of the burden off monetary restraint, which would allow further output and hence higher employment, as well as lower interest rates? By dealing with domestic inflation more directly, we can also lessen the negative impact of U.S. policies. Although, as the Minister of Finance (Mr. MacEachen) pointed out in the budget, we cannot insulate ourselves from the United States, nevertheless, we must face the reality, as enunciated by David Stockman, that unless the United States takes dramatic steps to control defence spending or totally changes its program, both of which are unlikely, the U.S. will continue with stagflation, volatile interest rates and inflationary pressures for some time to come.

Hence, I believe, further consideration of direct price cost controls is essential, as well as being more equitable in terms of dealing with the inequities of high interest rates and high unemployment.

Another aspect of equity in the budget is the new tax reform measures. Again, I have had numerous representations about the closure of tax expenditure loopholes. Many of my constituents feel that, in some measure, the Department of Finance has miscalculated the impact on the economy and individuals. As well, they feel that in addition to catching those who are abusing these tax loopholes, the middle class, the productive sector of our society, those who are working for a living, will be hard hit and that there will be tremendous discouragement through the efforts of working and saving. The Minister of Finance has indicated that appropriate adjustments will be made to the withdrawal of these tax incentives to ensure that the desired impact is obtained. This should also deal with other concerns that have been raised in regard to loss of high risk venture capital necessary to junior Canadian oil and gas companies as well as to new high technology industries.

Now let us consider economic growth, the third major principle of the budget. We have seen that we do not have to wait for inflation to be brought under control before allowing the economy to grow.

The above measures, past experience, as well as economic theory, allow for growth associated with increased capital formation and productivity, while protecting against inflationary growth. Thus, we can move on with implementing the strategy contained in the budget's document "Economic Development for Canada in the Eighties".

I should like to highlight briefly some of these points. First, the start-up of the megaprojects and other natural resource industries; second, measures for increasing industrial investment, as well as research and development; third, facilitating increased transportation capacity, particularly in export trade expansion in grain, coal, fertilizers and forest products; fourth, increased export trade by implementing the strategy contained in the budget for export development and by lower value of the Canadian dollar relative to other currencies; and fifth, facilitating the education and training of human resources, particularly for application in microelectronics technology and megaprojects.

The last area of consideration is the international structural aspects of our economy. Most Canadians are aware of the large degree of foreign ownership and control of both the energy and non-energy sectors of our economy. In fact, our economy is often referred to as a branch plant economy. The government has recognized this with the Canadianization aspects of the National Energy Program and with the Foreign Investment Review Agency. I believe that the government has also recognized that the pace and timing of gaining further control of our economy is critically important. We must be aware of the problems of capital outflow, current account deficit, decreased foreign investment and retaliatory measures, which are threatened by the U.S. either directly through the General Agreement on Tariffs and Trade or, indirectly, which can result from moving too quickly on re-owning our economy, or which can result from the inappropriate timing of these measures, such as in times of economic stress.

Another aspect in considering structure in the economy is tax reform, which was briefly discussed earlier. The government has introduced measures to increase tax equity. This is welcomed. Again, we must be aware of the timing and pace of these reforms so as not to introduce further stress to an already embattled economy. There are dangers to decreasing business investment, decreasing capital formation, decreasing employment and decreasing incentives for high risk venture capital.

The incentive for risk-taking, increased productivity, and the entrepreneurial spirit must not be hampered. The Minister of Finance has indicated the importance of ensuring a positive impact on the economy with respect to tax reform. He has also indicated an openness to adjustments where further equity can be obtained.

I have already discussed in the House my concern with tax on unrealized accrued income on life insurance savings and the impact on dependants, jobs and business investments that are involved.

Again on the international level, Mr. Speaker, because of the failure of the U.S. approach so far, this places even more pressure on Canada to take a leadership role in a truly equitable fight against inflation. It is not unusual to have economists split on what the economic future holds; but it is unusual when the director of the economic strategy of the major economy in the free world, the United states economy, indicates that his strategy has been a failure. Budget Director, David Stockman, has done exactly this. Again, I am hopeful that this admission in itself will produce changes in the U.S. policy; but as yet we have no evidence of this change. It is incumbent upon Canada to take a leadership role in showing that inflation can be beaten, unemployment reduced and economic growth proceed on the basis of output and productivity.

For the western world to go through a recessionary period, with the tremendous social damage and inequity involved, would be truly devastating, particularly if the battle against inflation is not won. This would seriously endanger any attempts to control inflation in the future. People are hurting in this fight against inflation and they expect positive results for their sacrifice.

United States policies have endangered the probability of positive results. This is yet another impelling reason for Canada to approach inflation in terms of targeting more closely on domestic inflation, as opposed to targeting on inflation as a whole in Canada. There is little we can do about foreign inflation, Mr. Speaker, other than setting an example of how to beat inflation. I believe this can be done with the economic framework we now have and the economic measures discussed above. By recording success in controlling domestic inflation, which again can be recorded with the GNE deflator, as opposed to the CPI, we can instil a sense of confidence in Canadians, and, by our success, give an example to other countries in the western industrialized world.

• (2020)

Mr. F. Oberle (Prince George-Peace River): Mr. Speaker, I could not help but be somewhat amused when I listened to the hon. member for Kitchener (Mr. Lang) speak about the budget, not so much our budget but that of the United States. If I were a Liberal these days, I would probably prefer to speak about Mr. Stockman and his budget much more than I would about the document we are discussing in the House this evening. I wonder whether the hon. member knows that inflation in the United States is 5 per cent below that of our own, that interest rates are 5 per cent below ours, and that all signs point toward the fact that the Americans are indeed in much better control of their economy than we could ever hope to be, particularly after this budget.

I doubt whether there has ever been a budget that was more universally rejected, that was so off the target as this one. It is fair and equitable only in the sense that the devastation is universal. The minister has not forgotten anyone in his compulsory restraint program. Our offices are flooded with mail daily. Our constituents are calling this document cynical, cruel and callous. It was received with disgust, dismay and outright anger. The only theme is a major attack on the private sector and more government intervention in every sphere of economic

activity. It is a frontal attack on the middle class, on small business and on the farm sectors, and it robs the poor.

There is no better example than the one I must cite where the government, expecting and planning for a massive increase in unemployment, is intending in its budget to impose a measure which will tax severance pay that companies pay the employees they have to lay off.

The message to us is to reduce our expectations. The minister in charge of housing interprets that to mean that we must learn to sit on orange crates again. The ownership of a home or the affordability to rent decent shelter is no longer a social right under the government but a privilege which is conferred on the deserving by their government. Those who have a few dollars to invest are taxed on money they have not yet earned or may never earn. In the past, farmers were allowed to average income from a farm sale, which is the only profit they would have made in their lives. Now they must pay tax on all their income the first year. Even life insurance premiums, unrealized accrued income, will be taxed. They are calling that a closing of the loophole!

Why do they do these things? It is quite obvious to anyone who has sat across from these social engineers for the last ten years that Canadians should not be greedy and save for old age; after all, their government will look after them from cradle to grave! Why should they save money in life insurance? Why should they build up assets or equity in farmland? There is no need to do that because the government looks after them when they are old! It appears that the government, having realized that conventional textbook measures are ineffective in solving the stubborn and chronic problems of inflation, unemployment and high interest rates, has only made the problem worse. But the government has not yet come to understand why these conventional measures are no longer effective. The normal tinkering to stimulate economic growth or to slow it down has not worked. The reason for all this is quite obvious to even the most casual observer. The government is overlooking the facts that private sector activity in the economy is no longer the most dominant factor and that the public sector is not playing by the same rules. For instance, how can we expect to bring down interest rates when the government competes in the marketplace totally unrestrained, as if there were no tomorrow?

The banks are blamed for the fact that thousands of businesses go bankrupt and people lose their homes. Yet any cash the banks may have had to invest in Small Business Development Bonds or mortgages was skimmed off by the latest issue of Canada Savings Bonds which the government guaranteed at 5 per cent above market rates. They are forgetting that the public sector now leads in every sphere of economic activity. Energy prices, indiscriminately set by governments, are a major cost to all industries and all individuals, so are other government-regulated or controlled services such as transportation, communications and postal rates. For example, postal rates have seen an increase of 60 per cent. The public sector continues to lead in wage and salary settlements and spends money as if there were no tomorrow. One of the themes of the budget is restraint—restraint, indeed! It would not matter how well the lesson contained in the Liberal budget were received or how much the average Canadian restrained his demand on the economy. Unless the government begins to practise what it preaches, things can only get worse. The message in this budget and all indications from the initial response to it indicate that things will get much worse.

The financial wizards of the Liberal government all lament the fact that our productivity has fallen way behind that of other industrial nations, and claim that to be a major contributing factor to our economic ills. I agree, but when was a planned and controlled economy ever productive? I should like the Minister of Finance (Mr. MacEachen) to tell me of one example where a government-controlled economy ever produced anything but inefficiency, waste and shortages, and particularly shortages in people's confidence in themselves. I see nothing in the budget to restore any of the confidence we have already lost, I see no economic renewal in the budget at all.

Last week one of my colleagues said in the House that we could see a move toward a collective farm sector. It was during the question period and it brought spontaneous laughter from the other side. I wonder how much longer farmers will continue to produce cheap food below the cost of production just because the government tells them to. The only sectors in the agricultural industry which are still viable are those that operate under the control of supply management through marketing boards. It is quite apparent that the beef and red meat industries will have to be organized under such a scheme if they are to survive. I am philosophically opposed to marketing boards, but they are the only thing which will keep farmers alive. It is direct control, and it only works domestically. We have only to look at the Milk Marketing Board. We used to sell a lot of cheese to the European Economic Community; we do not any longer because the marketing board has taken care of that. It is not because free enterprise no longer works but because one cannot just intervene a little in the economy, just like one cannot be a little pregnant. Once one starts, one must go all the way. All the way is what tumbles around in the cupboard of the former brain kitchen of the Prime Minister (Mr. Trudeau)—the head of Jim Coutts. I will tell the House what he said. He shed his obligation to secrecy just recently. He is now at large, away from the loony bin. He is so convinced of the virtues of the economic order to which he and his former boss subscribe that he is testing his theories on the public platform. He competed in an election and he made a speech to a Liberal convention. He is not content with government ownership of the energy sector alone, even though modern day socialists no longer believe, as did Karl Marx, that the state must own the tools and machines of production. They think, rightly so, that if we control and own the energy which drives the machines and own and control the resources which are fed through the machine, the rest can well be left to the proletariat. But Jim Coutts wants to go further. He wants the state to own the lumber industry. Would that be good news to lumber people? He wants the high tech business controlled and

owned by government, he wants the agricultural sector in some way controlled by the government. Some of the anger which has fed back to our offices was a result of the fact that we overlooked that some Canadians think they have a right to the ownership of their property. The rejection of the budget has something to do with this, because people fear and mistrust those social reformers opposite. They actually thought that Jim Coutts could have his way and could assume complete control and ownership of our farm industry some day! Fortunately the people of Spadina opted for a somewhat less radical and dangerous representative of the social democrats. It is said that there is a difference between the Liberals and the social democrats; at least the people of Spadina believe that.

• (2030)

One of the great features of our system is the right of the electorate to receive as much punishment as it keeps asking for. My advice to anyone who has difficulty understanding the theme of the budget is to read it in conjunction with the speech that Jim Coutts delivered to the Liberal convention. That will put it in better focus. It is a giant step forward, a planned economy, not much different from that which operates in the Union of Soviet Socialist Republics. Jim Coutts and his former boss believe that the failure of the Soviets to feed themselves has nothing to do with the way their economic order is arranged but has something to do with the 53 consecutive crop failures experienced in the Soviet Union. The Lord must not be smiling at our friends behind the Iron Curtain.

What this budget represents is an inevitable consequence of 12 years of pursuing the socialist notion of taking from each according to his ability and giving to each according to his need. That is equity, according to the government.

I always like to refer to the professor of political science from New York who tells his students that in order to understand this concept of socialism they just have to look around the classroom and say to the students who receive 95 per cent in tests, that they should give up some of their marks to those who only achieve 55 per cent. That way, everyone would end up with equal passing marks—about 70 per cent or 75 per cent. That seems fair. After adjusting all the scores, everyone would be equal! The question is, would the student who earns 95 per cent work as hard the following year? Would the student who only received 65 per cent work at all? In fact, quite soon all students would score well below the passing grade. Compulsory assignments and severe punishments would be needed in order to raise the grade of even the most capable to the passing level.

Productivity in our economy has long ago fallen below the passing level. Too many people with great ability have registered themselves among the needy. More and more of us are throwing up our hands, no longer able to bear the load being placed on us.

This budget, sir, is the first of the compulsory assignments and the punishment which is needed to raise the passing grade of our activity—except that it is not going to work. The government will just find someone else to blame. The Minister of Finance tells us that it is the banks that are to blame for businesses, large and small, going under, and for the people who are losing their farms and their homes. Oil price increases are the fault of the multinational corporations.

As I said earlier, it is not possible to intervene just a little bit. It is hardly the fault of the oil companies when the government doubles taxes through order in council and then the price of gasoline and heating oil increases, or when the Bank of Canada increases the prime lending rate. If a government adopts these measures, then it must go all the way and tax excessive profits. That is what the NDP wants to do. It wants to bring in a windfall profits tax. If bank profits can be legislated, then it may be necessary to bring in such a measure.

Jim Coutts wants to go further, however. He wants more nationalization in order to solve the problem completely. I suppose bank employees would have nothing to lose—they would get 17 weeks maternity leave, indexed pensions and all the perks which fall under the security blanket that comes with a public service job. Of course, the banks would not register any more profit and therefore would not have any money to lend to small business in order to create new jobs. But without the need to be accountable to those greedy shareholders, the banks, the oil companies or any other government enterprise would undoubtedly take up the slack by hiring a lot of new people themselves, thereby making life easier for everyone else.

Sir, it is not going to work. I will tell you what the theme of this budget is—it is the same as every other budget since our Prime Minister (Mr. Trudeau) proclaimed his new society.

As Churchill said 40 years ago, you can remove the inherent vice of free enterprise and capitalism, which is the unequal distribution of blessings, and replace it with the inherent virtue of socialism, which is the equal distribution of misery. Even that only works in theory because there really is no misery for those who are on the inside. The socialists always look after themselves.

I sometimes wonder what Liberal members tell their constituents when they go home to lecture them and explain why and how ordinary people should restrain their demands on the economy. I am sure some constituents must ask, "What have you done lately to cut back your own demands, or the government's? What about some of the friends of the party or the higher echelons of the bureaucracy?" What about Mr. Campeau, here in Ottawa? He is a builder—is he suffering? Of course not, because the Liberals are looking after him. What about Mr. Bouey, for instance, although one should be fair to him. After all, he only accepted a 9 per cent increase in his salary, although he chastises everyone else for taking as much as 10 per cent or even 12 per cent. Mr. Bouey is one of these neat flow chart people who work with percentages. Such people dominate the public service these days—the social engineers who figure everything in percentages. He got a 9 per cent increase in his salary. This amounted to $9,000 and brought his salary to $104,000 per year. The average Canadian earning $15,000 or $20,000 and asking for a 10 per cent increase will get only $2,000 and end with $22,000 per year.

But he will probably buy his meat in the same store and his gas at the same gas station as Mr. Bouey.

Sir, there is no equity in a socialist order. It is one rule for the inner circle and equal misery for everyone else. The power of the inner circle keeps expanding and the size of government keeps growing. The bureaucracy keeps growing till it becomes a ravenous monster which gobbles up our freedom.

It really will not matter how deeply entrenched our rights are in the Constitution because if the bureaucrat says that our freedom interferes with what is good for the masses, then it will be restrained. The budget is an example of that.

All the while we are told that the government will look after our needs. We are told not to be greedy and take money out of the economy to save for a rainy day or for old age. Apparently all that is looked after by Big Brother. I always say that a government big enough to provide us with everything we need is also big enough to take from us everything that we have.

Will Rogers once said that only the ignorant are willing to give up their freedoms to a person or a government which claims it will solve all their problems for them. It means they have never read history.

One should not be all negative, however, Mr. Speaker. I should like to remind the government that members on this side presented some ideas, so it was not a lack of ideas which prompted a budget like this. Surely the government can no longer point to the United States as the source of all our problems. Their policies are beginning to work, if the rate of inflation is any indication. At the present time it is 5 per cent below ours, their interest rates are 4 per cent lower and their mortgages rates stand at 10 per cent and 11 per cent because of special measures they have introduced to cushion home owners from the effects of inflation. Some of the measures are not unlike those proposed from time to time by this party and others. For instance, our mortgage deductibility program would have had a significant impact on mortgage rates. The Mortgage Exchange Corporation was authorized by the House in 1975. It would have been a perfect tool to combat the present day housing crisis. If it is true that the banks and the mortgage companies are the villains, let us bypass them and give them a little competition by giving individual investors a chance to participate. By allowing private investors to put money in our mortgage corporation and into the mortgage field, with the same concessions offered to the banks, I am confident that most Canadians would prefer such an investment over having term deposits in the banks. Interest rates on guaranteed mortgages could be 11 per cent tomorrow if the government were serious and were to bring in such measures. These measures have been proposed. The government should allow private investors to simply put their money into the mortgage field and allow them to earn their interest free of income tax. That is the concession being given to the banks.

● (2040)

If it is the fault of the banks that small businesses and farms are going bankrupt, let us bypass them. We should give private investors the same concessions the banks are rejecting. Let them purchase Small Business Development Bonds. At this time, it could be done through the Federal Business Development Bank, which, in the first place, was set up for the purpose of keeping the chartered banks honest. We had to take measures like that from time to time. We incorporated the Farm Credit Corporation because the banks were not able or willing to make loans to farmers. Why should we not proclaim the mortgage corporation, and get a handle on the housing crisis? However, the government is not interested or cannot be interested while some of these measures are in place.

I know of no better way to keep the banks honest than to force them to compete for the savings of private investors, for as the economy slides deeper and deeper into recession, people will want to invest in tangible assets, and the banks will find it progressively more difficult to serve both the large corporate and small business customers. We all know whose notes will get called first.

Therefore, Your Honour can see that there is no shortage of available options or ideas. There is only a shortage of will. What we must decide is whether the Prime Minister and his advisers are unwilling to act because they are ignorant or incompetent, or whether they are unwilling to act for other more sinister reasons which would require the further destruction of our economy to make more room for the public sector to intervene, and which would surrender individual Canadians to dependence on and submission to the state forever. It is time for us to wake up.

Some hon. Members: Hear, hear!

[*Translation*]

Hon. Charles Lapointe (Minister of State (Small Businesses and Tourism)): Mr. Speaker, I am glad to take part in this debate, first because it will give me the opportunity to point out the importance of the small business sector for the Canadian economy, and second, because the government has recognized this importance and taken action to promote the development of Canadian small businesses both in the past and in this budget.

Detailed analysis of this budget shows that it contains several provisions to assist small businesses. First, it relies on the many incentives developed by the government in the past to assist small businesses. Second, it contains a series of new measures which will be especially beneficial to small businesses, and finally, it promotes a climate which will promote the development of small and large businesses in Canada.

But what about the base which had already been established? Before the budget, certain tax measures were designed especially for small businesses. Nothing has changed in this regard. These measures are too numerous to list them all, but I would like to mention some of the most important. As everyone knows, there is, of course, the reduced income tax rate for small businesses, which is about 21 per cent lower than that applied to large businesses. This provision means a loss in revenue of $1 billion a year for the Government of Canada.

The significance of this lower tax rate, which is unique to Canada, is often not appreciated. If one looks at other countries with an economy similar to ours, one finds, for instance, that in the United States, small businesses with an income between $50,000 and $75,000 would be taxed at 30 per cent, those with an income between $75,000 and $100,000 at 40 per cent and those with an income of over $100,000 at 46 per cent, while in Canada, as I pointed out earlier, these companies are taxed at 25 per cent. If one looks at the United Kingdom, one finds that all the earnings of small businesses up to £80,000 are taxed at a rate of 40 per cent and earnings over £80,000 are taxed at a rate of 60 per cent compared with 25 per cent in Canada. I also obtained some information about the situation in France, where, from what I was told, there is no preferential rate for small businesses. I also looked at the situation in Australia, whose economy, like ours, is based on resource development and where there is no special tax rate for small businesses.

In addition to this special tax rate for the first $200,000 of income, provisions in force before the budget include the special investment tax credit which small businesses can use to defray their research and development costs. Because of this incentive, a private company owned by Canadian interests and eligible for the special tax rate for small businesses receives a tax credit of 25 per cent of all research and development expenses. As all the hon. members are aware, small businesses play a major role in high technology, and this 25 per cent tax credit is aimed at helping them continue their research and development activities in the field of new technologies. There are, of course, other measures which still apply, including deferral of up to $200,000 of capital gains produced by the transfer of small businesses from one generation to the other, the exemption of the federal sales tax for all businesses whose income does not exceed $50,000, the possibility for unincorporated businesses or for the owner of such companies to pay a salary to his spouse and deduct it from his income, and the possibility for risk capital companies which acquire shares in small and medium-sized businesses to have their income taxed as capital gains rather than as regular income.

These examples illustrate the base established in the past by the government to promote the development of small businesses through the tax system. I pointed out a while ago that the preferential tax rate represented a loss in revenue of $1 billion for the Government of Canada. The other incentives which I have just listed represent another billion dollars in tax expenditures for the Canadian government. There are other measures which apply to both small and large businesses, such as the accelerated write-off provision, the investment tax credit, the adjustment to stock value and many others. The budget is therefore based first of all on existing provisions, such as the reduced corporate tax rate. As you know, this budget raises the ceiling for the annual income of small businesses taxed at the reduced rate from $150,000 to $200,000 and the ceiling for cumulative income from $750,000 to $1 million. To give an example of the benefits provided by this measure, let us consider the case of a business with an income of $200,000 to which this special tax rate is applied. We see that this measure will allow this company to save up to $42,000 a year in taxes. During all of last year, Mr. Speaker, I had the pleasure of touring Canada and meeting a number of small business groups, thousands of small entrepreneurs throughout the country. Those entrepreneurs, those men and women from the small business community all requested that I ask the Minister of Finance (Mr. McEachen) to raise the maximum eligibility level for the special tax rate for small businesses. I am both proud and happy to see that in this budget, there is an increase from $150,000 to $200,000 in the first income bracket and in the cumulative income rate from $750,000 to $1 million, which will allow a very large number of Canadian businesses to now qualify for that special tax rate.

• (2050)

Until the budget, there has also been the Small Business Development Bond program, and this is another example of how the government wrote its budget on the basis of previous success. This program is a fiscal measure which provides easier access to reduced interest rate loans for refinancing and expansion purposes. In its two years of existence, the Small Business Development Bond program has promoted investments in small businesses to the tune of $2 billion, at reduced tax rates. That kind of financial help was extended through financial institutions. Since the funds made available were considered not as loans but as bonds, those institutions could charge reduced interest rates, approximately half the commercial rate plus 1 or 2 per cent for handling charges.

In this budget, the Minister of Finance has agreed to extend that program for an additional year, to extend its term to the end of 1982, and he changed somewhat the regulations for its implementation in order to extend the benefits to a greater number of businesses that are not incorporated, also including farmers and fishermen.

Therefore, the program will allow a reduction of interest rates exceeding 6 per cent. The program will now be extended to businesses, farmers and fishermen facing difficulties, because clearly in these times of fiscal restraint it is impossible to help everyone. The Small Business Development Bond program—

[*English*]

Mr. Kempling: Read your mail.

Mr. Lewis: It is the small business desperation bond, and you know it.

[*Translation*]

Mr. Lapointe (Charlevoix): I hear the hon. members opposite, who are rarely in great numbers in the House, say that this is nonsense. Perhaps it is nonsense in their opinion to help

businesses that are experiencing financial hardship, and nonsense also to allow unincorporated businesses to be eligible for this program, because they believe that to assist the Canadian economy only the richer segments of our society need be helped.

Under the Small Business Development Bond program, the Government of Canada will be spending an additional $82 million.

Another provision affecting small business and contributing to the development of this sector, which is one of the objectives of this budget, is the two-year extension on the business corporate surtax. But, as the Minister of Finance stated in his budget speech, small businesses will be exempt from the surtax payable on that part of their income which is eligible for the reduced small business tax rate. This will allow small businesses to save approximately $100 million in income tax over the next two years.

As of 1982, the employer's weekly contribution to the unemployment insurance plan will be reduced by about 9 per cent, which means that the employer's contribution will go down from $2.52 to $2.31. That too, Mr. Speaker, is a measure that the small business community had requested. I think that will allow small businesses to save approximately $75 million a year.

The provisions announced by the Minister of Finance in his budget speech with respect to small manufacturers will also help the small business community. The federal tax rate on income from manufacturing and processing operations will decrease from 15 to 10 per cent. Under the existing tax provisions, a small business had to separate its eligible manufacturing operations income from all its other income using complicated calculations if its total yearly income was above $50,000. Previously, a corporation which was mainly involved in manufacturing and whose total income did not exceed $50,000 did not have to make these calculations. Now, the budget proposes that a small business which is mainly involved in manufacturing should no longer have to separate its income derived from the manufacturing side of its operation from other revenues to benefit from the reduced tax rates which apply to manufacturing revenues. I think that in addition to reducing paperwork, this measure will make it possible once again for small businesses involved in processing and manufacturing to benefit from a still more beneficial system.

One of the major themes of this budget is equity. It is the underlying theme of the changes made to the manner in which dividends from private businesses are treated. Before this budget, the owner of a private business owned by Canadian interests could be paid by his business an income comparable to that of an executive, without having to pay quite as much in income tax. For instance, the owner of a private corporation could be paid up to $30,000 on which he had to pay only the tax rate applicable to small businesses, that is 25 per cent. The employees and unincorporated businessmen paid comparable incomes were subject to an average tax rate of 35 per cent.

As I indicated earlier, one of the main objectives of the government was to develop a more equitable tax system. That is why some provisions in the budget are designed to eliminate a certain imbalance. They will make sure that the decision as to whether a business should be incorporated is based on the financial benefits the business stands to gain rather than on mere fiscal considerations. They will make sure also that the tax deductions granted to small businesses are directed to those which are in full expansion and need them most. There is a third reason, Mr. Speaker, why this budget is beneficial to small businesses. It will foster an economic climate in which all Canadian businesses will begin to thrive as the worldwide recession dies down. I mean, of course, the considerable effort which the government has made in this budget to reduce its deficits and its borrowings. As my colleague the Minister of Finance suggested, this effort will alleviate the pressures exerted on the loan markets, reduce the interest rates and leave more room for borrowers seeking funds. The budget is a step in the right direction for this government which is constantly trying to slow down the growth of its spending, leave more room for the private sector and promote entrepreneurship, while assuming its responsibility for leadership and assistance.

• (2100)

I did not mention the many other means which are available to provide financial assistance to small businesses. I am thinking of the Federal Business Development Bank with a lending and borrowing capability of over $2 billion, which helps out more than 40,000 businesses. I am thinking also of the risk capital of the Federal Business Development Bank which has invested more than 40 million dollars in over 150 manufacturing companies in this country. In addition, there is, as you know, Mr. Speaker, the Small Businesses Loans Act pursuant to which 1.4 billion loans are guaranteed by the Canadian government to 24,000 businesses. I could mention many more programs, such as the National Research Council Programs, the Industrial Research Assistance Program, the Small Business Development Program, the Regional Economic Expansion Department program, the Suppliers' Establishment Funds, the Supply and Services Department Program.

Mr. Speaker, considering this wide range of opportunities, it is obvious that over the last few years and even now in the present budget the government has done its very best to aid small businesses and has promoted original policies, as I mentioned earlier, when I compared our fiscal system to those of countries similar to our own. The present budget respects this commitment and is an efficient way of helping small Canadian businesses build a better future for themselves.

I would like to remind hon. members, as the Minister of Finance has mentioned several times in this House, that he is ready to listen to proposals by groups of people and Members of Parliament in order to determine whether or not in some cases certain adjustments may be justified for the sake of equity. As Minister of State for Small Businesses, Mr. Speaker, I shall and do live up to my responsibilities to see to it that all the concerns of small businessmen are brought to the attention of my cabinet colleagues.

Mr. Speaker, I would like to take advantage of the few minutes I have left to address another topic which also concerns and affects small businesses, more particularly in Ontario and Quebec. I would like to deal for awhile with the new Canadian policy on behalf of the shoe industry. I would like to quote from a paper which was presented or read at the Quebec National Assembly, during the presentation of the Parizeau Budget in 1979:

The traditional textile, clothing, shoe and furniture industries which in 1977 had lost 20,000 jobs and were in some cases threatened with total elimination, were saved by the adoption of radical policies. The federal government agreed to pursue a strict and responsible policy of quota imposition for three to four years to protect three of those industries. And the Quebec government removed the sales tax from those four areas for a year . . . it is most important that we agree on the objective. For three years the governments will give an exceptional assistance to those traditional industries. We shall do everything possible to reach a specific objective, which is to make them competitive within three years with their American and Western European counterparts. We will not ask them to compete with Taiwan or Korea. That would not be possible. But I must give those industries the solemn warning that, at the end of those three years, they cannot expect an extension of this exceptional government help. It is up to them to undertake right now the work of reorganization and modernization which is necessary to their survival.

Mr. Speaker, this speech by the Minister of Finance in Quebec is exactly what we have sought to implement after four years of protective measures on behalf of the shoe industry.

Total imports during the period from 1977 to 1981 increased by 9.2 million pairs of footwear compared with 1975. More than 80 per cent of that disastrous increase consisted of footwear made of materials other than leather. Of the other 20 per cent, leather footwear, more than two thirds came from both developed and state-trading countries. So, a cursory look at those figures prove clearly, Mr. Speaker, that the sad state of affairs with regard to low-production-cost countries is caused by a sharp increase in footwear imports other than leather and cannot be blamed on increased imports of leather footwear from those countries. Since 1977, the situation has changed considerably. For instance, the value of the Canadian dollar is no longer what it was and Canadian producers have improved their productivity, thanks not only to the steps taken by the Quebec government, as mentioned by the Quebec Minister of Industry and Tourism, but also to the restructuration program of the government of Canada.

The Canadian leather and man-made fabric shoe industry is protected, moreover, by a 24.4 per cent rate of value for duty advances in the case of nine countries, including Italy and Brazil; in addition, it is still possible to resort to the normal protection of compensatory rights and anti-dumping rules as provided for in federal legislation. The Anti-dumping Tribunal, which made the study of the industry on which our new policy is based, indicates on page 112 of its report that it is now satisfied that the Canadian footwear industry is now able to compete with the imports from developing economies and state-trading countries.

In 1980, Canadian producers had over 70 per cent of the domestic leather footwear market, industrialized countries 20 per cent and underdeveloped countries 10 per cent. Among the latter, Brazil represented almost half the imports. With regard to that country, the Tribunal recognizes in its report and concludes on page 113 that, "the necessity of special measures of protection in the case of Brazil is somewhat less urgent as imports from that source are subjected to a 50 per cent advance for duty". And this, Mr. Speaker, in addition to the 24.4 per cent rate on any imported footwear. Again, as far as Brazil is concerned, Mr. Speaker, two weeks ago, it levied a 15 per cent export tax on that footwear. Now considering the small share of the leather footwear market held by other underdeveloped countries, you will agree, Mr. Speaker, that it would be almost impossible to justify any unilateral action to our trade partners, even if there were some international mechanisms such as, for example, the multi-fiber agreement on textile and clothing now in effect. It would not be possible at all to justify such an exception under our GATT agreements.

As for footwear other than leather on which we imposed a quota, the Tribunal concluded also, on page 123, that the greater part of the increase in imports from underdeveloped countries would be absorbed by footwear other than leather, and that Canadian manufacturers especially would suffer. That prejudice could be ascribed to substitution.

Now, the decision of the government of Canada to impose quotas on footwear other than leather is based on real statistics and on the findings of the Anti-dumping Tribunal. In addition, it must also be kept in mind that if we had imposed quotas on leather footwear, which would have affected mostly our trading partners of the European Economic Community and the United States, it is quite obvious that many Quebec and Ontario manufacturers of leather footwear already exporting much of their production to those markets, would also have been subjected to retaliatory measures and would have been unable to export their footwear to those markets. With this new restructuration and modernization program for which we have earmarked $17 million to bring special assistance to footwear manufacturers so they will expand their export activities by closing our markets to all but leather footwear, I think we can hope that the workers and the manufacturers will be able to get a handle on the new situation and develop a much more dynamic and much more competitive footwear industry. In any event, before the end of the week my colleague the Minister of Industry, Trade and Commerce (Mr. Gray), the Minister of State (Finance) (Mr. Bussières) and myself will meet with the footwear manufacturers and the spokesmen for the labour force in that industry.

I wanted to take the opportunity offered in this speech to clear up the situation on that subject because we have been getting political flak from the government of Quebec which has been saying that the footwear industry will go belly up. I also wanted to demonstrate the originality of our tax system for small Canadian businesses with all the new measures contained in the budget we are studying now, and that small Canadian businesses will continue to be the backbone of our economic development and that, for the government of Canada, it will remain the most important sector of our economy.

The Budget—Mr. Althouse

● (2110)

[*English*]

Mr. Vic Althouse (Humboldt-Lake Centre): Mr. Speaker, before this budget was brought down, I had a very modest list of items which I had hoped would be in it. These items applied to agriculture, which is my area of concern. I thought we might see some much needed improvement in funding for stabilization programs in the agricultural community.

During this International Year of the Disabled Persons, I hoped that there would be at least a minor bow in recognition of that fact by providing for some equality in the application of the Income Tax Act for people who are mentally handicapped. There are families of mentally handicapped people who do not have the same kind of tax options which are available to families of physically disabled people.

I had sent letters to the various ministers involved in the hope that there would be some recognition of this situation during this year of the disabled and that it would be corrected. It would not cost the people of Canada very much and it would, in fact, give some recognition to those families with mentally disabled people who are sometimes faced with a great financial cost.

I had hoped that there would be some increased funding to the Farm Credit Corporation through the introduction of a means of recycling the funds which go from one farming generation to the next. I would have liked to have seen a method whereby the farmer who was selling the farm would be allowed to reinvest his money in the Farm Credit Corporation bond at a reduced tax rate to encourage the recycling of money which, in turn, would be more available since the Farm Credit Corporation at the present time supplies only between 5 per cent and 10 per cent of the required funds for refinancing.

I had also hoped that some means would be provided in this budget to allow the Farm Credit Corporation to provide for additional sources of funding, either from private or government sources. With the exception of $45 million, that too did not happen.

Since we have just experienced a fairly heavy tax regime under the National Energy Program and the energy agreements between the federal government and the producing provinces, I had hoped that the tax increases would not be too great. There are some sectors of our economy, such as the banks and oil companies which are making tremendous profits from the high interest rates, and I would like to have seen a tax leveled on these windfall profits. That did not happen either.

I thought that it might have been time for the recognition of the workers who are not working under a union contract and have to supply most of their own equipment for their trade, whether it be carpentry, plumbing or farming; that there would be some allowance for them to write off part of their tools as part of their jobs. That was not in the budget either.

One of the main farm planks in the Liberal Party campaign during the last election was a change in the valuation day for farmland from the end of 1971 to the end of 1974. This was one of the few planks in the Liberal Party platform, and I was extremely distressed to see that it was not included in the budget. Since there was no change to the valuation day, no changes in the Farm Credit Corporation, no monies for the stabilization program I was beginning to wonder where the Minister of Agriculture (Mr. Whelan) had been when the proposals for the budget were being drawn up. Those are some of the things which were not provided for in the budget.

What we did get were changes to the income-averaging annuity program which were not particularly welcomed in the farming community. I believe that these changes were aimed more at the professional athletes, perhaps entertainers and presidents of large corporations who receive large sums of money on the termination of contracts. In these areas the changes to the income-averaging annuity program contract may have some element of fairness because these people are not at the end of their careers. Most of them will again take jobs and be part of the economy. However, as this provision applies to retiring farmers, I maintain that the effect, on balance, is unfair.

The provision for income-averaging annuity has been beneficial to farmers since it first came into effect in 1972 because it was offered in recognition of the fact that while farmers may not be producing very much in the way of income tax payments during their careers—I will elaborate on this point later—they do find themselves facing retirement with fairly large sums of money in some cases, and this income-averaging annuity contract allowed the farmer to average his income on a forwarding basis, thus spreading the effects of that income, which had been accumulated sometimes up to 50 years, over the ensuing five to 10 years. This protection is not longer available to the farmer.

The effective elimination of the IAAC, if we can use that short term, will probably produce a tendency for farmers to sell less land and in smaller parcels, which will not make it any easier for the rest of the community continuing to farm. With this tendency, it also means that these sales will take place over a number of years in an effort to effect the same kind of tax averaging which was available under the IAAC program. The more worrisome effects of the program's elimination are the different reactions to this from the operators of small and medium-sized farms as opposed to the reaction from farmers with larger operations. The farmers who sold their farms in 1981 with the understanding that they would be able to use the income averaging annuity program to spread their tax burden are especially affected by this budget. These people were caught on November 12. I have received phone calls from several who have been caught in the unhealthy position of having sold their land under an agreement of sale in order to spread the income over the next four or five years. As of budget date, they will have to consider all of the sale as income this year, even though they will not receive the income until five years down the road. They will have to pay tax on that income.

● (2120)

Most of those who called face the prospect of having to borrow money to pay the tax. They will have no money left to purchase a house or even to pay rent on one so that they will have a place to live in their retirement years. This is simply because of the manner in which this program has been implemented.

Another change in the income tax as it affects farmers is in the capital gains reserve. As of November 12, after the budget, sellers of land will no longer be able to average the payment of income tax on capital gains when the purchaser makes payment to the vendor over a number of years. I discussed some of the problems by using the example of the man who had sold his land and will receive payments over five years who finds himself in the unenviable position of having no money to pay his tax and no money for the next year and a half of his retirement.

This kind of financing will probably be wiped out. About 10 per cent of the sales that now take place are financed on vendor-purchase agreements. That may not sound like much, but I remind hon. members the Farm Credit Corporation finances less than 10 per cent of the land transactions that take place in this country. Therefore, we are talking about a program that will affect more land transactions than the Farm Credit Corporation and will affect them very negatively.

The budget tends to create a regressive tax system in relation to capital gains rollovers when parents transfer farmland to children. The Minister of Agricuture takes great joy in pointing out that the rollover provision is still there, and it is. However, the effect will be different, depending on the income and the size of the farming operation that is being rolled over.

Two or three accountants have brought examples which indicate that the small or medium-sized farmer, because he has no other source of income to retire with, is forced to sell his small holding at full or nearly full market value. This means he will be paying capital gains tax on that property. It also means that his sons, daughters or grandchildren will have to pay full or nearly full market value for that property. At today's interest rates, it creates a very difficult situation.

The larger operation, because of being able to generate more cash flow and higher net incomes, finds it possible to turn over some, if not all, of the land at the V-day value. On the larger operations we can see where the rollover will apply, and no capital gains tax collected. The next generation will not be forced to pay as high a price for the total assets for which they will be working.

The net result shoult not be too surprising because it is a consistent theme of this budget. The net result is a regressive tax, a tax that falls most heavily on the lower-income people, those with less assets than the amount of tax that falls on those with more assets and higher incomes.

Other changes to the tax laws as they affect farmers in this budget have to do with the Small Business Bond and Small Business Development Bond. The Small Business Development Bonds have been extended. We have a new instrument, the small business bond, which is now available for unincorporated farms, small businesses, fishermen, and will be available as of November 12. The budget states it is available for farms or businesses in financial difficulty. The program may be used after December 31 until the end of 1982. That is what the budget states.

A week ago last Friday I asked the Minister of Agriculture when the regulations and description as to who would be eligible for these bonds would be published. He told me they would be available next week. A week has passed. To date the banks do not have any guidelines as to who is eligible for the small business bond and who is not. Farmers in dire straits have been contacting their bankers. Some will have their land placed in receivership and in the hands of the sheriff before the end of this month, and to date there is still no action on this aspect of the budget. We have the small business bond promised in the budget, but no action. As long as there is no description of who is eligible and who is not, the proposal and offer are of no use to anyone.

The last change in the budget to affect farmers is the changes to the capital cost allowance. To give some idea of the effect, I will run through a brief description of a possible purchase.

Suppose a farmer purchases a $80,000 used tractor and receives $50,000 for his trade-in. The difference he must pay is $30,000. Prior to the budget, he would have shown an acquisition of $80,000 and a disposal of $50,000 in his Class 10 assets on his capital cost schedules, which depreciates at 30 per cent. In other words, from this transaction he would gain $9,000 of capital cost allowance, 30 per cent of $30,000.

After the budget, he would show an acquisition of $80,000. However, he can only depreciate the asset at the new rate of 15 per cent, which would be equivalent to $12,000. In addition, he would have to deduct his trade-in at 30 per cent of $50,000, which equals $15,000. Therefore, he has lost the difference between $15,000 and $12,000, or $3,000 of capital cost allowance because of the new budget.

The loss is even worse than that. Prior to the budget he could show an increase of $9,000. Now he has to show an additional $3,000. His loss in relation to the capital cost allowance schedule is $12,000. Assuming a 35 per cent tax bracket, it is costing the farmer $4,200 in tax to trade one tractor in for another.

I do not think there is very much incentive for a farmer to trade in his equipment. There is no incentive to take the equipment off the lots of dealers. Dealer inventories are increasing at a rapid rate. At today's interest rates, this will have a very negative effect on those small businessmen supplying farm equipment.

Prior to the budget we were seeing a tremendous number of lay-offs in the farm equipment field. Factories are closing and workers are being laid off right across the country. International Harvester, one of the largest farm equipment manufacturers, now faces the prospect of going into receivership. Massey-Ferguson faced the same problem last year. White

Farm Equipment was refinanced, went bankrupt and was revitalized over the past year. This aspect of the budget will worsen the prospects for the farm equipment industry and employment in that industry. I think that when one looks at the situation in agriculture, had the minister been able to convince the Minister of Finance (Mr. MacEachen) of the true state of affairs in agriculture, I am sure it would not have received such short shrift in the budget. There must be some understanding on the government side that there is a lot of money in agriculture or that there is some ability to pay higher taxes, because the government certainly did levy higher taxes on the farm sector. I think this is a misconception. I would refer government members to a very small booklet entitled "Agricultural Facts". It does not take long to read. It has all the data laid out in very simple terms. In that booklet it shows that net farm incomes in Canada in 1973 were $3.3 billion. It was the same in 1980.

● (2130)

Over the same period of time, output in agriculture increased two and a half times, and yet incomes remained virtually the same. If one converts the income in 1980 to 1973 dollars, the net income has decreased almost by half. It is $1.74 billion instead of $3.3 billion. Prospects for 1981 are supposed to be slightly better. They are expecting that it may hit $4 billion this year, an increase of about 12 or 15 per cent. The outlook for 1982 is that it will decrease to $3.4 billion.

While net incomes in agriculture have deteriorated, if one takes into consideration the inflationary effects, productivity has still increased. Even using 1973 dollars, productivity has increased. Agriculture is one of the few sectors of this economy that is more than pulling its weight in terms of productivity versus income received. The thanks they get for it are extra taxes. I do not think that is acceptable in terms of fighting inflation; it is not acceptable in terms of equity of taxation. It makes absolutely no sense to me, Mr. Speaker.

When we look at the effects of the budget on agriculture, we have to ask ourselves why the Minister of Finance has introduced this kind of budget. He has told us that he is trying to fight inflation. How is he fighting inflation? By reducing government deficits, he says. He is hoping to increase taxes and decrease spending, thereby reducing the deficit. The minister's economic theory is that because he is doing these things, inflation will drop. I think that is an invalid theory.

I should like to spend a few moments now reviewing some of the reasons for reaching this conclusion. I will simply go back to the historic statistics and try to find some rationale for that kind of theory. If the theory has any legitimacy, it should show up in the statistics over the past.

When we go back to the early 1930s, we see the 1930 to 1935 federal budgets had six straight deficits, and not just little deficits but deficits equivalent to $25 billion in today's dollars. What happened to the price level during this time when government spending was in a whirlwind state? Price levels dropped by 26 per cent over that six-year period. They dropped, while government deficits were at an all-time high.

Right after that period during the Second World War, government budget deficits were equivalent to $75 billion in today's dollars. The price level rose about one per cent a year. It is not true that the elimination of budget deficits ends inflation. There was no deficit in 1973. The federal government had a surplus. Along with the surplus budget, in 1973 there also happened to have been the highest rate of inflation we have had for the past 20 years. In 1974 we followed it with an even larger surplus; and the inflation rate rose even higher. I do not see any correlation between budgets and inflation, deficits and inflation.

The other reason for the kind of fiscal policy that this government is embarking upon is to get rid of the burden of the national debt. Today it stands at roughly $100 billion. This year the federal government will have to pay about $15 billion in interest on that debt. Approximately one fifth of the debt is held by the Bank of Canada, which is wholly government-owned and, each year, hands over to the government all the money that it takes at the end of the year, over and above that amount. Of the remaining $80 billion in bonds, $70 billion is held by Canadians. It remains in the country. The government paid them $11 billion, but it is spent within the country.

I maintain that as long as the money is used to produce productive assets, it is an asset to the economy and not a liability. Spending is considered that way even by the economists to my right. As long as it is in the private sector, then in economic theory I see no reason that it should make any difference if it is spent in the public sector, so long as it is spent on productive assets.

In the end, when one finishes doing the arithmetic, one is left with about $9 billion of the $100 billion, $8 billion of which Canadian bondholders had left after tax and was not lost to Canada; and they are fellow Canadians. The real burden of the debt to Canada was about $1 billion which is the approximate cost of maintaining the $8 to $10 billion that is held by foreigners.

That money, which had to be raised from the people of Canada and paid out, went to foreigners. The real burden of that so-called burdensome debt to the country is the amount that we paid to foreigners. We need an economic policy that attempts to gain more control of our economy. We must concentrate more in the area of ordinary Canadians to overcome any so-called burden, thus improving the economy to the point that it would begin to fight inflation with a will.

In closing, I repeat that I see the agricultural sector as perhaps the only sector that is producing more than it takes from the economy. Because it has been doing that, it has had to suffer low net incomes, family incomes that are as low as $8,000 to $12,000 during the period of time when factory workers are earning $12,000 to $15,000. It has had to borrow money in order to expand its productive plants. Because it has had to do this, the amount of money that is owed by farm people has increased. Because of that, when we get into a period of time such as at present when interest rates are extremely high, it is especially burdensome to the agricultural sector.

This budget did not attack the problem of high interest rates in any real and meaningful way. It provided for a small panacea in the form of the small business bond. Those small business bonds have not been activated in any real sense of the word. Until that happens, there will be absolutely no help for the Canadian agricultural sector. It has been a totally negative kind of budget, a regressive budget and one which I think we should vote against. The minister should start over and discuss with the agricultural people of Canada the kind of things that are required in order for them to stay in business. The minister should discuss with the home owners of this country the kind of programs they need to maintain their homes. The minister should discuss with the unemployed the kinds of programs they need in order to get them working again. It is not time to cut back nor to reduce spending. It is time to create employment to get this economy working at close to full capacity again, instead of at a 60 to 80 per cent capacity.

● (2140)

[*Translation*]

Mr. Irénée Pelletier (Sherbrooke): Mr. Speaker, I am pleased to have the opportunity to say a few words in this budget debate and, because of allocation of time, I should like first to inform my colleagues of the economic conditions which now prevail in the Sherbrooke area. In the last few years, the Department of Regional Economic Expansion opened a regional office in Sherbrooke where business people of the area could apply for assistance given to small and middle-sized businesses in the queen city of the Eastern Townships. For our area, the opening of this office was a significant step because in the past we had to send all our applications to Montreal. I have indicated to this House, more than once, that we have several institutions of higher learning in our area, namely, Sherbrooke University, Bishop University, the Collège Champlain, the Sherbrooke College and several other specialized schools and every year too large a number of our young people must leave the Eastern Townships area to go to Montreal or to other places in Quebec as well as outside Quebec, to find work.

This means that we educate them but they go and find jobs somewhere else. This is a very sad situation which should be corrected at once and which should be given the highest priority. This is a collective responsibility which involves the federal government, the provincial government, municipalities, intermediary bodies, the business community and all the people of the Estrie area. We can no longer tolerate this brain drain. The greatest wealth of our area are its people and among them the most skilled are leaving. These young people are a significant asset for our development but because of our industrial structure, because of the lack of investments, and because also of the lukewarm interest shown by governments, including the federal government, it is with sadness that we see a large number of our young people going to other places in Quebec and in Canada. Several steps were taken the last year, and periodically various people take counsel together with regard to the ways and means of co-ordinating the efforts of groups and individuals towards the economic development of Sherbrooke and the Eastern Townships.

About a month ago, a study commissioned by the City of Sherbrooke to a Montreal firm on the Sherbrooke economy, showed that its economic conditions, despite obvious shortcomings, had still a significant potential. This new report considers several aspects of the economic conditions of our area and puts forward suggestions to correct the present situation. Following a rather accurate analysis of the economy of the area, of its healthy and not-so-healthy sectors, in the last chapters of the report possible action and an over-all strategy are suggested for the forthcoming years. I sincerely hope that this report will be considered and that as soon as possible we shall come up with a policy that will make it possible to speed up the economic development of that area. For the past decade, studies about Sherbrooke have been undertaken by a variety of people: provincial governments, federal government, university regional agencies and firms of all kinds. I humbly suggest that it is about time—and according to the last report the willingness and the dynamics are there—to launch as of now the economic renewal of the area.

Several opportunities are open to us and personally I think that our approach should be based on a co-ordination of efforts at all levels of government. I sincerely believe that we have available to us several tools which should allow us to make significant progress in the economic development of Sherbrooke. I am thinking in particular of the fact that Sherbrooke University was designated by the federal government as a first-rate centre in electronics. The scientists at Sherbrooke University in electronics have been among the pioneers in this field and this honour with the grants connected to it, should make it possible for the industry of the area to take advantage of the knowledge and the opportunities for development in that leading industry. But there again we will have to make sure that what is done in our area will be of assistance to the small and middle-sized businesses. The University is willing to dispense its knowledge to all those who would like to take advantage of it, and I think that if we could further increase an already well established co-operation between the University and the local economic agents, this could have an extremely positive impact on our area.

It is in the best interests of the economy-oriented organizations in our area to co-ordinate their efforts. Permanent co-ordination and co-operation should be arranged between the various economic components in the Sherbrooke area. We certainly are not short of economic agencies and organizations to do considerable work. What we need is a co-ordination of our efforts.

Most of our regional economy-oriented organizations have developed plans of action and intervention for the area. We must absolutely make sure that there is a follow-up to our

interventions and we must always be careful that what has been gained is thriving and stable. Moreover, not only the new industries that wish to settle in our area but our existing businesses must maintain frequent and numerous contacts so that businessmen, governments at all levels, intermediate bodies, the industrial commission and all organizations involved in economic promotion in our area will work together.

It is impossible during this debate to deal with all the aspects of the question and all the important opportunities available in our area. I will come back to that later. However, for the time being, let me remind you that we have a reasonably progressive service sector, some rather important organizations and the labour force we need to undertake the economic renewal of the area. The authors of the report which I quoted a while ago stated the following in the first paragraph of their document:

Economic growth is for the most part based on the confidence of the business community in its future. Several leaders should not hesitate to assert themselves and to exercise their leadership. The basis of Sherbrooke's economy—

—in spite of some deficiencies however—

—is healthy, in spite of difficult economic conditions. Sherbrooke's economy has at present various assets which help generate significant advantages. The people of Sherbrooke only have to take the opportunities. However important the strategy is, it remains that the determination and confidence of the business community to attain the economic future which is within the reach of their ambitions and their opportunities are also essential.

I shall simply add that I intend to devote all my energy to the development of the area. I urge all parties concerned to support the efforts of all those men and women who strive to improve the current economic situation. On the federal government level, I intend to make use of all available opportunities and openings to help our region, so that we may, to the extent of our ability, efforts and possibilities, bring to Sherbrooke the continuing economic development it has been seeking for such a long time.

On June 19 last, Mr. Speaker, the Minister of Industry, Trade and Commerce (Mr. Gray) and the Minister of Regional Economic Expansion (Mr. De Bané) announced the new textile and clothing policy for Canada. The ministers indicated that the government of Canada had started negotiations aimed at extending the restrictive agreements with our suppliers. This textile policy for Canada, I must point out, was favourably received at the time by both industry and workers. Six months after this new policy was announced, we can say that all in all, it has helped the industry significantly, but that some areas, especially the glove industry, have been affected, and the Minister of Industry, Trade and Commerce will have to look into this particular problem. Generally speaking, we can say that the textile industry now is one segment of our economy that is doing fairly well. I should like however, to return to that announcement made last June which reads in part as follows:

The government intends to propose a readjustment program designed to ensure that the Canadian textile and clothing industry is viable and competitive and to revitalize the economy of communities that are most vulnerable to foreign competition.

The minister announced, and I quote:

A new program for which more than $250 million has been earmarked by the government over the next five years will be set up for the following purposes:

1—To create new jobs in the communities affected by industrial readjustment;

2—To make it possible for displaced workers to benefit from new job opportunities; and

3—To promote the modernization of viable businesses in the textile and clothing industry.

These $250 million—if I understood well the announcement made last June—will be spent essentially in Canadian communities with textile and clothing plants, therefore mostly in Quebec. Approximately a month ago, more specifically on October 26 last, the Prime Minister announced the creation of the Canadian Industrial Renewal Board, the terms of reference of which included, and I quote:

● (2150)

To promote the restructuration, regrouping and modernization of our textile and clothing industries, renew the economic basis of communities which depend largely on these industries and are therefore more likely to be adversely affected by the increasingly freer trade of these products, and to help the workers affected by these changes.

Mr. Speaker, this announcement is of tremendous importance for Sherbrooke and the Eastern Townships. In spite of efforts made by the governments in the past few years to help diversify our industrial structure to a greater extent, we have not yet succeeded in the Eastern Townships in giving impetus to the industrial restructuring process, which is of the utmost importance for the future of our region. Recent statistics indicate that the Eastern Townships area is one of the least advanced in Quebec with respect to its industrial structure. The communiqué states that the creation of the Canadian Industrial Renewal Board will work in close co-operation with the federal departments under the guidance of a special committee of ministers chaired by the Prime Minister so as to make sure that the industrial renewal, inasmuch as it affects the economy of the regions, the community groups and the labour force, does indeed meet the social and economic needs involved.

One of the basic characteristics of this new strategy is the pooling of efforts from the private and public sectors with a view to increasing competition in the designated sectors, diversifying the economic base of the communities involved and ensuring that the workers will benefit from new job opportunities. Finally, it is stated in the communiqué that in the coming months it will submit to the special committee of ministers recommendations concerning the communities which should be the first to benefit from the special assistance program. The board will also remain in close contact with the provincial authorities as well as labour leaders, employers and the communities involved. Mr. Speaker, I want to say right now that at the earliest opportunity I intend to get in touch with the

chairman of the board, in co-operation with local organizations. We want to make sure that the Eastern Townships and the Sherbrooke area will draw maximum benefits from the funds made available to the board. We intend to meet the members of that organization as soon as possible and, along with local organizations, I will not miss an opportunity of making recommendations to that committee. Mr. Speaker, a significant event took place in Sherbrooke last October. For the first time a subcommittee of the Canadian Parliament unanimously adopted a reference of the House of Commons to undertake a survey in Quebec within the DREE hearings to study on site the economic situation of those two regions, namely the Eastern Townships and the Gaspé peninsula. This first experiment in Quebec and the third in Canada has turned out to be a real success.

We cannot, for the time being, foretell what will happen, as the report will be tabled only in a few weeks' time, on the recommendations of the subcommittee which visited those two areas in Quebec. But we can, right now, state that all those who presented a paper before the members of the subcommittee unanimously expressed their satisfaction at the fact that a committee from the House of Commons had come to study and discuss economic problems at the grass root level. The reports which were presented in percé and Sherbrooke have shown that there was a widespread desire to see the Department of Regional Economic Expansion getting more deeply involved in the development of those areas whose economic growth is slow. While DREE's contribution to the economic development in Quebec was readily acknowledged, the desire was expressed that the Department of Regional Economic Expansion, which is supposed to help the deprived areas, enlarge its terms of reference and be provided with financial means and additional powers so that it may provide faster, more direct and more efficient aid. I can assure you, Mr. Speaker, that those field trips last fall have demonstrated to us the importance of providing the representatives of the people with the opportunity to see in situ the impact of some of their policies. We were able to detect a few shortcomings in DREE's policies, but also some of its benefits. Now we have to improve the procedures, as many speakers have suggested, so that this department may become the real co-ordinator of federal interventions and help the economic situation of the less advanced areas in Canada.

I sincerely hope that the new legislation governing the Department of Regional Economic Expansion, which the minister says is supposed to be tabled early in 1982, will fulfil the wishes of the groups we met over the last two years, who would like DREE to redirect its economic action at the regional level. When the law is tabled I shall elaborate on that a little further but for the time being, Mr. Speaker, I only want to point out that DREE has proved a big help in the economic field in many regions of Canada, and must redirect its course so as to play a more efficient part as the foremost dynamic force in areas of slow economic growth.

Mr. Speaker, statistics recently published about the unemployment rate fail, in my humble opinion, to express the seriousness of the situation in my area. We are a town, and have often been described as such, of institutions. I sincerely hope that we will examine the plight of this area as soon as possible. The unemployment problem among young people is a responsibility of all levels of governments and of private industry as well. We should work together to suggest means to resolve this problem and help young workers.

Even though I have pointed out, on many occasions but especially over the last few years, the stunning number of jobless young people in our area, I ought to add that there are many mature workers who are out of work as well and I feel we should make a special effort to help them make a decent living. Unemployment is a social scourge that government should and must endeavour to eliminate, by working in co-operation with all persons concerned. No one can look with equanimity at the waste of talent and intelligence caused by this unused potential. If the government does not respond to my cries of alarm, at least it should not be insensitive to the distress of the many unemployed workers.

Mr. Speaker, it seems to me that a good way to co-ordinate the economic policies that I mentioned earlier, would be to hold an economic conference on the area in question. At the first stage, we could hold a meeting in Sherbrooke, and at the second stage extend it to the whole region and in this manner we could exercise a greater pressure on the different levels of governments.

Let us first agree on the priorities, the directions at the Sherbrooke level, let us examine the specifics of action. When this is done, we can invite the greater area of the Eastern Townships to join us in a common development effort, because the economic development of the Sherbrooke area is very closely linked to that of the Eastern Townships, and vice versa. That economic summit, in addition to enabling us to see what the situation is and determine the directions to follow, will also enable us to establish the major priorities for the area over the next few years. I submit that this is essential. In the last few years, we had economic summits in our area on the textile, footwear and furniture industries, therefore an economic summit would enable us to know the state of all industries in Sherbrooke and give us the opportunity to decide on the direction we want to follow for our area.

On the economic level—

The Acting Speaker (Mr. Blaker): Order, please. I am sorry to interrupt the hon. member.

● (2200)

[*English*]

I am sorry. I did think that perhaps the hon. member would like to complete his remarks, but in accordance with Standing Order 40, a motion to adjourn the House is now deemed to have been made and seconded.

Is the hon. member for Yukon (Mr. Nielsen) rising on a point of order?

Mr. Nielsen: Mr. Speaker, I am sure the hon. member would obtain unanimous consent if he only had a minute or two to go, and if I could then call it ten o'clock.

[*Translation*]

Mr. Pelletier: Mr. Speaker, I still have seven or eight minutes at my disposal, but I would prefer to resume tomorrow.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 40 deemed to have been made.

McDONALD ROYAL COMMISSION—QUERY RESPECTING REPORT ABRIDGEMENTS.—(B) PREPARATION OF INDEX TO REPORT

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, on November 25, at page 13240 in *Hansard,* I put two questions to the Solicitor General (Mr. Kaplan) relating to the documents and the report of the McDonald Commission. The first of these was to seek his assurance that those deletions, which we all understand were made in the report, are in safekeeping and will be made available to the public in due course; second, that because of the complexity and the volume of the report, some effort be made to prepare an index to the three documents. What I therefore seek is an assurance that the abridgements will be preserved and made available to the public in due course; second, we would like an index.

My worries are of three kinds. The first concerns these deletions. I quite understand the qualms of the commissioners when they say that they feel it is desirable and in the public interest to withhold some of the report, particularly if there is a risk of imperilling the security of Canada. They also consider that the identity of individuals and organizations should be safeguarded, particularly as they might be liable to prosecution in the course of time. In the report, they did not wish to prejudice the process. That is quite understandable.

What I find to be a little lacking in assurance, giving me cause to worry, is that this particular government, which has a record of having lost or mislaid or deliberately allowing certain documents to be destroyed which now ought to be in the public domain, might cause these particular chapters of the McDonald commission report to disappear as well.

I think, for example, of the loss of the Mackenzie King diary, one of the important Mackenzie King diaries related to the Gouzenko papers. That document has disappeared. I quite recognize that it did not disappear at the archives. However, somehow or other, it was not properly safeguarded until the executors had a chance to look at it, and it has now disappeared. I am sure it is a valuable document because it specifically dealt with the Gouzenko matter.

The second problem involving my mistrust of the government in these matters arises from the fact that after the usual 30 years of preventing the public scrutiny of documents related to the Taschereau-Kellogg report on the Gouzenko matter, we learned that an extra ten years would be added for reasons which were never clear. Subsequently we learned that another solicitor general of another government tried to get access to those documents to see whether they ought to be made public, but he was denied access to them.

● (2205)

The next stage in that particular operation was that the Liberal government was returned to office and ordered, under some pressure I should add, those documents to be re-examined to see whether they could be released. Now they are released. But we have no certainty that in the interim some of them have not disappeared. I do not want the McDonald commission documents to disappear.

The third misgiving I have is the mystery surrounding the Featherbed files and where they went. Nobody seems to be able to say where they went. If they can disappear, what about documents relating to the McDonald commission?

Fourth, there was the deliberate destruction of the Checkmate files, which is reported upon in the McDonald report. Those four reasons give me ample cause to have misgivings about the lost documents.

All these matters, together with the refusal of cabinet to accept final responsibility for RCMP actions, as mentioned by the Prime Minister (Mr. Trudeau) give me concern. In a 1977 press conference, the Prime Minister stated:

> It is a matter of stating as a principle that the particular minister of the day should not have a right to know what the police are doing constantly in their investigative practices, what they are looking at, and what they are looking for, and the way in which they are doing it.

That, I suggest, is not a proper expression of ministerial responsibility and gives me concern about the possible loss of these documents.

On those grounds, I think I am amply justified in seeking the assurance of the government that these documents are in safekeeping and that they will, in due course, be made available to the public.

The other matter of the index arises mainly from the complexity of this report. It is a long report and contains thousands of pages. It is not easy to follow one's way through

it. An index would be most helpful. I would appreciate getting from the government some sort of an assurance that the index that has been prepared by the commission itself, which I believe was put on a computer tape, will be available in due course. I hope not too far down the road that it will be available to the general public so that we will all be able to find our way through this very complicated report. I do hope I will get those two assurances, although I doubt it.

Mr. Roger Simmons (Parliamentary Secretary to Minister of the Environment and Minister of State for Science and Technology): Mr. Speaker, I thank the hon. member for Esquimalt-Saanich (Mr. Munro) for raising this issue tonight. I am pleased to respond on behalf of the Solicitor General (Mr. Kaplan). As the hon. member will understand, I will resist the temptation to respond to the nonsense about papers which have disappeared—

Mr. Munro (Esquimalt-Saanich): It is not nonsense, it is true.

Mr. Simmons: —and to his mistrust of the government, which does not come exactly as a startlingly new revelation.

However, the hon. member does raise a couple of important points that need response. First, with respect to abridgments in the report. The report of the commission was, as the House knows, published on August 25, 1981. The report dealt with matters of national security, and because it was obviously not in the public interest to disclose those matters that could adversely affect national security, the report was edited, with the concurrence of the commissioners.

● (2210)

As a result of that editing process, less than 3 per cent of the report was deleted on the grounds of not disclosing the identity of targets, endangering sources, not disclosing the precise means of implementing intrusive and other clandestine operating methods and techniques, and not disclosing information relating to allied or other friendly security-intelligence agencies.

An hon. Member: We know all that.

Mr. Simmons: Mr. Speaker, does the hon. member want the response? I shall give it in my fashion, not his. If he has a little patience, he may learn something.

There was the assurance that nothing was deleted which reported conduct of any individual which was criticized by the commission.

In addition, with regard to the third report, there has been agreement with the commission to delay publication of those chapters of Part IV of the report that recommend referrals of particular matters to the attorneys general and to the commissioner for possible disciplinary action. These chapters, together with related material identified by the commissioners, have been conveyed to the attorneys general for their consideration.

The hon. member has asked where the deletions have been made, but the House will understand that that sort of information cannot be disclosed lest that disclosure would reveal clues to the precise matters which have been expurgated. It is not, therefore, possible to go beyond stating the grounds on which the deletions were made. As for the report as presented to the governor in council, it has been filed with the Privy Council office where it is under the control and in the care of the custodian of the documents and records of the commission, the Clerk of the Privy Council and secretary to the cabinet.

With regard to the editing done to the report, it should be recalled that the government made as few deletions as was consistent with our security needs, that those made had the full support of the commissioners, and that the publication of the report constitutes an unprecedented public disclosure of our security affairs.

The second matter raised by the hon. member in his questions was access to an index to the report. Upon inquiry, I have ascertained that no computer records or index of the report was made by the commission. I can also inform the House that the government is not considering the preparation of an index to these volumes.

The report is the result of the extensive work conducted by the commission, not the government. I would remind the hon. member that this report has been publicly available for more than three months, giving ample time for him to have read it. It should be noted that the report contains a detailed and lengthy table of contents and has been cross-referenced. For this reason, the government sees no reason to go to the expense of preparing the index that has been proposed by the hon. member.

AGRICULTURE—ESTABLISHMENT OF WESTERN GRAINS RESEARCH FOUNDATION.—(B) AVAILABILITY OF FUNDS

Mr. Doug Neil (Moose Jaw): Mr. Speaker, on October 21 last I posed a question, as recorded at page 12023 of *Hansard,* to the Minister of Agriculture (Mr. Whelan) to determine whether or not he supported the presentation of a group of western farm organizations which set up the Western Grains Research Foundation. Their presentation requested that the $9 million presently in the Prairie Farm Emergency Fund be paid to their foundation and that a voluntary levy of one tenth of 1 per cent on grain sales also be part of their funding.

The minister indicated he had not met with the foundation, but they had met with his officials and he had not, at the time I asked the question, had an opportunity to see the report from his officials.

In response to my supplementary question, recorded again at page 12023 of *Hansard,* he seemed to try to cast a doubt on the fact that the $9 million in the Prairie Farm Emergency Fund in fact belonged to the producers. He said, "He knows that that money belongs to both the government—", and after interruption he continued by saying, "—was contributed to by the producers". If one refers back to the debate on February 3, 1981, at page 6845, one will see that the minister referred to the fund in the following terms:

Having this money work for prairie farmers through research is the ideal situation because, after all, it is the farmers' money.

The debate in question on that date was on second reading of a private member's bill, Bill C-245, proposed by myself, to repeal the Prairie Farm Assistance Act and to set up a trust consisting of four trustees, three of whom would be producers listed in permit books as actual producers, one from each of the three prairie provinces, and as the fourth a man expert in the field of research and development in cereal and oilseeds, who would be the chairman of the trust. The trustees would hold the $9 million presently in the Prairie Farm Emergency Fund in trust and use the interest earned on the money for research and development in cereal and oil seeds suitable for production in the Canadian Wheat Board area.

● (2215)

I raised the point in the debate that some $9,066,972 has been standing to the credit of the Prairie Farm Emergency Fund since 1972 and that the government has been using that money without payment of interest since that time. It is farmers' money; and if interest had been paid since the inception of the fund, the fund itself would have doubled or tripled in size by this time. At rates that have prevailed for the past year, the fund would have been earning between $3,500 and $4,000 per day. As each day goes by, this interest is lost to research in the Canadian Wheat Board area.

The minister was not prepared to approve my bill in February of 1981, arguing that his department was in the process of putting the final touches to his own bill which he would be presenting to Parliament. Almost a year has gone by, Mr. Speaker, and his bill has not yet seen the light of day.

He did agree during the debate on February, 1981, to send the subject matter of my bill to committee for a study, but such a study has never taken place. In the meantime, the Grains Research Foundation has been set up by a group of western farm organizations—I should say the group of western farm organizations, including all the western farm organizations with one exception—and the aims and objects of the trust that they propose to set up is the same as the aims and objects which I set forth in my Bill C-245. I have indicated to the foundation that they have my complete and full support.

I believe it is incumbent upon the Minister of Agriculture to indicate his reaction to the Western Grains Research Foundation proposal, and whether or not he is prepared to introduce legislation transferring the $9 million to that foundation. I caution him that every day of delay on his part means between $3,500 and $4,000 lost to western grain research, and it is he who must assume full responsibility and answer to the western grain producers.

I know his answer has been that the money is in a non-interest bearing fund, but I think it is an absolute disgrace that producers' money has sat in an account since 1972, been used by the government and has not drawn one cent of interest.

If the minister is indicating that he plans on bringing in a bill of his own, I would suggest that he do so without further delay. I would like to tell him quite frankly, however, that if his bill is such that he or his department retains control of the fund and it does not provide for control of the fund by the producers of western Canada, he will certainly not gain the approval of members on this side of the House.

In closing, I want to make it quite clear that it was not my intention, and it is not the intention of the Western Grains Research Foundation when they submitted their proposal, to downgrade or detract from the great work that the research branch of the Department of Agriculture has carried out. They are doing excellent work, but they are limited in their funds and they are doing research in areas that would not ordinarily be the priority of producers who had their own ideas on what should be done. This foundation would not detract from the department, but would give the producer an opportunity to decide what particular type of research he wants. There is a shortage of researchers, I would like to point out. In talking to the research foundation members, I found out that perhaps it might be part of their plan to fund some senior students who would like to further their education in order to become researchers. I understand that university students from Canada who are taking their degree do not wish to further their education because it is not worth it. It is only people from abroad who take their Master's degree or do their doctorate in research.

It is my hope that the Parliamentary Secretary to the Minister of Agriculture (Mr. Ostiguy) in responding to my remarks tonight will at least give us some indication of what the minister plans to do with respect to the $9 million, and I would hope that he appreciates the fact that there is a great deal of urgency because of the interest lost on this money on a daily basis.

Some hon. Members: Hear, hear!

● (2220)

[*Translation*]

Mr. Marcel Ostiguy (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, I should like to mention the timeliness of the hon. member's question considering that the Conference on Agricultural Outlooks for the Eighties opened this morning. As the hon. member most appropriately remarked, it was precisely on October 21, 1981, the very day that he asked the Minister a question on this issue, that the Federation of Agriculture and the Western Grain foundation submitted to the officials of the Department of Agriculture a proposal providing for a transfer of funds, the Prairie Farm Emergency Fund in order to promote research.

Since then the Minister has been and continues to be in close contact with the President of the Treasury Board, and this very day he was meeting with the representatives of both organizations, that is Mr. Hamilton of the Canadian Federation of Agriculture and Mr. Strath of the Western Grain Research Foundation, to consider whatever changes Agriculture Canada or the Treasury Board might have to make in

order to make this $9 million fund provide better support for research.

The hon. member is no doubt aware that agricultural research is dealt with directly in the document tabled by the Minister of Agriculture (Mr. Whelan) entitled "The Agri-food Strategy for the Eighties". Agriculture Canada does realize that research is a must and we agree with the hon. member that part of those funds could be transferred to the producers. We hope that following the meeting the Minister is having today and tomorrow with the spokesmen for both organizations, he will be able to give us an answer before the end of the year. I do not have a definite answer at this moment. However during these meetings table hold in the next two or three days here in Ottawa as I just said, with the representatives of both organizations, and as we know the federal-provincial conference of ministers of agriculture will also be held here on Wednesday—the minister will have ample opportunity to discuss this issue with all parties concerned. Let us not forget that Agriculture Canada has invested over $200 million in agricultural research. We are all aware of the fact that Canadian agriculture must develop and improve its productivity, as the various speakers were saying this morning in presenting their papers at the meeting of the federal conference on agriculture for the eighties, and also that its development is directly related to that of research.

[*English*]

AGRICULTURE—REFINANCING OF CO-OPERATIVE IMPLEMENTS OF WINNIPEG.—(B) AMOUNT OF FEDERAL GOVERNMENT ASSISTANCE

Mr. Stan J. Hovdebo (Prince Albert): Mr. Speaker, my intervention tonight is with regard to a problem of Co-op Implements of Winnipeg, a farm co-operative which has been producing implements in the west for a number of years. Since its organization in Canada in 1958, Co-op Implements have made dramatic progress. Gross sales for the fiscal year ending October 31 this year have increased 84 per cent, from $57 million in 1978 to $105 million in 1981. The work force of Co-op Implements has increased 27 per cent in this timeframe, from 773 in October 1978 to 982 on October 31, 1981. Expenditures on research and development by Co-op Implements have increased 464 per cent in that period, from $285,000 in 1978 to $1.6 million in 1981, 1.5 per cent of its sales, which is a very good record for any industry. Co-op Implements have turned around from $3.8 million loss in 1978 to $1.6 million profit in 1979. Despite the soaring interest costs, heavy investments in research and development and a million dollar employee training program in 1980, losses were kept below $1 million. The final results for 1981 are not yet available, but it would seem they will break even. Except for one factor, this year they would have made a profit.

● (2225)

The interest bill of Co-op Implements for 1981 was $105 million. They have an interest bill of approximately $35,000 a day. It is another case of interest rates affecting the viability of an industry.

The key line of this report on Co-op Implements is probably this last line which says that profits would have been assured in 1981 had the supposed equity package been in place. Mr. Speaker, my intervention is exactly on that basis.

The proposed package was a $35.5 million package. Nine and a half million dollars was to be raised by the organizations in the co-ops in western Canada. Five million dollars was to be raised by the membership of Co-Op Implements, by farmers such as myself. Seven million dollars was to be raised by the provinces. The fourth group to contribute to this package was $14 million by the federal government.

On December 4, 1981, the Minister of Agriculture (Mr. Whelan) made the following statement in a press release:

Financial Aid to Co-op Implements

—Agriculture Minister Eugene Whelan today announced that cabinet has proposed a total of $14 million in federal funding to assist Co-operative Implements of Winnipeg.

That was a very misleading statement. If one were to turn to the second last paragraph of the same press release, one would find that it states that:

The outstanding portion of this contribution, about $7.5 million, will be forgiven as part of the total assistance to the company.

The request was for $14 million. The suggestion by the federal government is for $6.5 million. The $7.5 million majority of the federal contribution is a loan, a write-off. The governments of Saskatchewan, Manitoba and Alberta have asked for a $14 million contribution in cash from the federal government. This is somewhat similar to the contribution which was asked for previously by the Government of Ontario when Chrysler Canada Ltd. was in trouble.

The proposal of the Minister of Agriculture is not new to the governments of the prairies, and it was not acceptable when it was known. It will not become acceptable because it has been made public.

Let us look at some comparisons. During the last couple of weeks, $6.5 million in grants was given to a hotel complex in Windsor which will be operated by the Hilton Corporation. Thirty million dollars in grants was given to what we called in the west the Deutz company, which produces diesel tractors in the east. This $30 million was contributed to these companies so as to give them a basis for operation; but instead, a company in the west, which is Canadian owned and Canadian operated with 1,000 employees, was offered a paltry $6.5 million, compared to the $14 million that it requested. I want to know from the minister or his parliamentary secretary right now exactly what we can expect from the federal government in this situation. How much can we expect, and when can we expect it?

● (2230)

[*Translation*]

Mr. Marcel Ostiguy (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, in reply to the hon. member for

Prince Albert (Mr. Hovdebo) concerning Co-operative Implements of Winnipeg, I must say that the figures he has quoted are almost accurate, except that he stated that the government contributed to Massey-Ferguson, to Chrysler and to White Implement. I would like to remind the hon. member that these companies received a loan guarantee while Co-operative Implements of Winnipeg received grants on various occasions, of which the first was an interest-free grant of $7 million, I believe, which, with $3 million in interest, would represent, according to my calculation about $10 million in direct assistance.

We recognize the magnificent contribution of this company in western Canada. It manufactures fine equipment, but we still have to look at its operations, and this is why it will perhaps be impossible to go any further this evening, as the minister and the department are now considering, along with the provinces, the various means available to save or to assist financially Co-operative Implements of Winnipeg. The hon. member himself mentioned the high interest rates, but it still remains that various farm machinery manufacturers are going through a rather difficult period. Of course, the American and European markets are not as sound as they were. Equipment costs, wages, and everything else have increased in the last few years, and it seems that farmers are thinking twice about investing heavily in farm machinery. As I said earlier, I am sorry that I am not able to provide more information, but we are aware of the situation described by the hon. member for Prince Albert.

[*English*]

The Acting Speaker (Mr. Blaker): The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow afternoon at two o'clock.

At 10.33 p.m. the House adjourned, without question put, pursuant to Standing Order 2(1).

HOUSE OF COMMONS

Tuesday, December 8, 1981

The House met at 2 p.m.

• (1405)

ROUTINE PROCEEDINGS

[*English*]

EMPLOYMENT

GOVERNMENT FUNDING FOR TRAINING FACILITIES—MOTION UNDER S.O. 43

Mr. Peter Elzinga (Pembina): Madam Speaker, I rise under the provisions of Standing Order 43. To meet the shortage of skilled workers in Canada, and in view of the fact that at present most training costs for an apprentice fall on the training company and many firms do not have apprenticeship or on-the-job training programs because they are too costly, I move, seconded by the hon. member for Red Deer (Mr. Towers):

That the federal government institute a fairer plan for paying for facilities, instructors and equipment, and since the early stage of apprenticeship is a kind of post-secondary education and is vital to the economy, that the federal government pay a greater share of this training.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

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AGRICULTURE

SUGGESTED EXTENSION OF HERD MAINTENANCE PROGRAM—MOTION UNDER S.O. 43

Mr. Jack Shields (Athabasca): Madam Speaker, the criteria set out to determine eligibility for the herd maintenance assistance program were unfair, inconsistent and discriminatory toward northeastern Alberta producers. Recommendations concerning this injustice from the Herd Maintenance Review Board fell on deaf ministerial ears. In addition to being denied herd assistance, farmers in northeastern Alberta suffered a disastrous 1980-81 winter followed by an unusually dry summer. In view of these facts, and given that the 1981 Liberal budget offers virtually no assistance to Canadian farmers struggling to survive against high interest rates and poor returns, I move, seconded by the hon. member for Pembina (Mr. Elzinga):

That this House direct the Ministers of Finance, Agriculture and Regional Economic Expansion to extend the herd maintenance assistance program or to create a new, meaningful and fair program which will allow producers in this country to maintain their herds.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

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CANADA POST

PROPOSED INCREASE IN POSTAL RATES—MOTION UNDER S.O. 43

Mr. Bud Bradley (Haldimand-Norfolk): Madam Speaker, thousands of Canadians have strongly voiced their concerns about the 30-cent stamp. It will be devastating to charitable organizations, little theatre groups, mail order businesses, senior citizens, Sports Canada, small businesses, municipalities, and in fact in some way to all Canadians. Therefore I move, seconded by the hon. member for Richmond-South Delta (Mr. Siddon):

That the minister responsible for the Canada Post Corporation accept the advice given him by so many and suggest to his cabinet colleagues that a more realistic rate be struck for first-class mail, or, since he appears so pleased with the way the Post Office Act was so well handled in committee and in this place, that he bring the issue of postal rates to the floor of the House in order to be debated by the elected representatives of the people it affects.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

UNEMPLOYMENT INSURANCE

DISCRIMINATION AGAINST FARM WORKERS—MOTION UNDER S.O. 43

Mr. Mark Rose (Mission-Port Moody): Madam Speaker, I rise under the provisions of Standing Order 43. In contrast to other workers like plumbers and carpenters, Section 16 of the Unemployment Insurance Act denies farm workers all unemployment insurance credit for the days worked unless they work 25 days for the same employer. Thus, over 100,000 farm workers among Canada's poorest paid workers who are not normally covered by minimum wage legislation, health and safety protection, or workers' compensation benefits, are vic-

tims of unemployment insurance discrimination which can force these workers into the arms of labour contractors who can, by moving workers from job to job, employ farm workers for the season for a fee of sometimes up to 40 per cent of their already low wages. Therefore I move, seconded by the hon. member for Kootenay West (Mr. Kristiansen):

That Section 16 of the Unemployment Insurance Act be abolished since it discriminates against a racial minority who do at least half the farm work in the Fraser Valley and because it has been described as a "Magna Carta for unscrupulous labour practices".

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

AIR TRANSPORT

DEMAND THAT AIR TRAFFIC CONTROLLER POSITIONS BE STAFFED WITH CANADIANS—MOTION UNDER S.O. 43

Mr. Lloyd R. Crouse (South Shore): Madam Speaker, I rise to move a motion under the provisions of Standing Order 43. At present the Canadian air traffic control system needs approximately 250 additional qualified controllers to meet today's traffic demands, and the Department of Transport proposes to hire fired United States air traffic controllers to fill these vacancies. In view of the fact that today we have more than one million people unemployed in Canada, I move, seconded by the hon. member for Halifax West (Mr. Crosby):

That all existing air traffic controller vacancies in this country be filled by qualified Canadian citizens.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

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POLITICAL PARTIES

RESOLUTION CONCERNING BUDGET PASSED BY ONTARIO LIBERAL PARTY—MOTION UNDER S.O. 43

Mr. Girve Fretz (Erie): Madam Speaker, the Ontario wing of the Liberal Party of Canada recently passed resolutions concerning the budget of the Minister of Finance (Mr. MacEachen), one of which bluntly indicated that the budget, instead of encouraging risk-taking and job creation, actually increases taxes, does nothing to fight inflation, and actively discourages job creation. In light of this agreement with Tory objections to the budget, I move, seconded by the hon. member for Huron-Bruce (Mr. Cardiff):

That this House congratulates the Ontario Liberal rank and file for their miraculous conversion, and urges them to spread the good Tory word to their brothers and sisters across this land.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

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FINANCE

REQUEST FOR CHANGE IN VALUATION DATE GOVERNING TAXATION OF CAPITAL GAINS—MOTION UNDER S.O. 43

Mr. Benno Friesen (Surrey-White Rock-North Delta): Madam Speaker, since the government has steadfastly refused to review capital gains provisions relief to farmers and small-business men and, instead, is using capital gains taxes to attack their retirement income, since the government income benefits most from inflation and graduated tax structure, and since the December 31, 1971, valuation day for property assessment is totally unrealistic when considering that property values have skyrocketed in inflationary rather than real terms, I move, seconded by the hon. member for Pembina (Mr. Elzinga):

That the Minister of Finance change the valuation day for fixed value to December 31, 1981.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

● (1410)

THE ECONOMY

SUGGESTED CHRISTMAS GIFT FOR PRIME MINISTER—MOTION UNDER S.O. 43

Mr. Gordon Towers (Red Deer): Madam Speaker, with the Canadian economy in complete disarray, the Minister of Finance (Mr. MacEachen) is in an "orderly advance backwards", and Canada burns. In order that history may repeat itself completely I move, on behalf of all Canadians, seconded by the hon. member for Pembina (Mr. Elzinga):

That at the forthcoming Liberal Christmas party the Prime Minister be presented with a violin on which would be the logo "The country is folding as it should".

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

[*Translation*]

SMALL BUSINESS

REQUEST FOR LOWER INTEREST RATES—MOTION UNDER S.O. 43

Mr. Terry Sargeant (Selkirk-Interlake): Madam Speaker, I rise on a matter of urgent and pressing necessity under the provisions of Standing Order 43. Whereas more than 2,600 businesses have shut down in Quebec alone during the past eleven months, thus putting more than 67,000 Quebecers out of work; whereas there are many small businesses in that province and high interest rates are making it very difficult for them to operate, I move, seconded by the hon. member for Churchill (Mr. Murphy):

That this House ask the government to reduce interest rates immediately so as to put a stop to these shutdowns and the resulting loss of jobs.

Madam Speaker: Does this motion have the unanimous consent of the House?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

[*English*]

BANK OF CANADA

CALL FOR REDUCTION IN BANK RATE—MOTION UNDER S.O. 43

Mr. Charles Mayer (Portage-Marquette): Madam Speaker, I rise under the provisions of Standing Order 43. The Liberal government has repeatedly told Canadians that its high interest rate policy can be attributed to United States interest rates. Last Thursday the Bank of Canada dropped its rate only 1/100th of a percentage point, to 15.31 per cent, while in the U.S. the Federal Reserve Bank reduced its discount rate a full percentage point, from 13 per cent to 12 per cent. Therefore I move, seconded by the hon. member for Halifax West (Mr. Crosby):

That this government be consistent in its interest rate policy and direct the Bank of Canada to drop its bank rate at least two percentage points to reduce the spread between Canadian and the United States interest rates.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

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THE BUDGET

SUGGESTED WITHDRAWAL OF PROVISION AFFECTING HOLDERS OF TRAVEL PASSES—MOTION UNDER S.O. 43

Mr. Bob Corbett (Fundy-Royal): Madam Speaker, workers in the airline industry and all public transportation sectors are distraught and astounded that the government would attack them personally by taxing travel passes which have long been considered a part of any package that forms an agreement between worker and employer. As the government intends to tax this benefit, as well as a good number of other items such as health and dental benefits, it can only, and rightly so, lead to higher wage demands by workers to compensate, which will be acutely inflationary. I move, seconded by the hon. member for Calgary East (Mr. Kushner):

That the Minister of Finance withdraw the entire provision.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

LABOUR CONDITIONS

STIMULUS NEEDED FOR DIRECT JOB CREATION—MOTION UNDER S.O. 43

Mr. Ray Skelly (Comox-Powell River): Madam Speaker, given that Cape Breton is suffering from one of the highest unemployment rates in the country, which rose dramatically in November to over 17 per cent, and given that lay-offs continue in the construction and manufacturing industries, even in the riding of the Minister of Finance (Mr. MacEachen), I move, seconded by the hon. member for Nunatsiaq (Mr. Ittinuar):

That this House urge the Minister of Finance to stop his policy of complete indifference toward the people affected by lay-offs and unemployment and to provide the stimulus for direct job creation that areas like Cape Breton and his own constituency need so desperately.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

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NUCLEAR ARMAMENTS

CALL FOR PLEBISCITE ON DISARMAMENT TO BE HELD BY MUNICIPALITIES—MOTION UNDER S.O. 43

Mr. Neil Young (Beaches): Madam Speaker, I rise under the provisions of Standing Order 43. In view of the decision by Ottawa City Council to hold a plebiscite on nuclear disarmament at the next municipal election, and in view of the fact that a growing number of Canadians and world leaders are deeply concerned over the prospects of a new arms race that will escalate the growth of nuclear weapons, I move, seconded by the hon. member for Oshawa (Mr. Broadbent):

That this House call on all of Canada's local governments to include a question on nuclear disarmament on ballots that will be used to elect municipal and regional governments in the coming year, and that the results of this

plebiscite be tabulated and forwarded to Mr. A. R. Menzies, Canada's Ambassador for Disarmament.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

• (1415)

ORAL QUESTION PERIOD

[*English*]

AUDITOR GENERAL

RECOMMENDATION ON AUDITING OF CROWN CORPORATIONS—INTRODUCTION OF LEGISLATION

Mr. Bill Clarke (Vancouver Quadra): Madam Speaker, my question is directed to the President of the Treasury Board who will know that the report of the Auditor General is to be tabled today. It will come as no surprise to the President of the Treasury Board that in his report the Auditor General points out the need for legislation to provide for a comprehensive audit in all Crown corporations wholly owned by the Government of Canada because Parliament needs the independent assurance that comprehensive audit would give. He would also know that the Public Accounts Committee, in its fourth report, dated February, 1981, recommended the same. Will the minister now tell the House when legislation of that type will be forthcoming?

Hon. Donald J. Johnston (President of the Treasury Board): Madam Speaker, I thank the hon. member for Vancouver Quadra for his question. At this time I would not like to predict a specific date when legislation will be forthcoming. However, I would like to advise the hon. member that the views of the Public Accounts Committee, the views of the Auditor General, the views of senior officials, and the views of Crown corporations themselves will all be taken into account in developing policies with regard to this matter.

Some hon. Members: Oh, oh!

REQUEST THAT MINISTERS HOLD CONSULTATIONS

Mr. Bill Clarke (Vancouver Quadra): Madam Speaker, the minister has not indicated whether or not he is in favour of such a policy. Since the traditional financial audit cannot tell the directors or Parliament whether management practices have been consistent with the objectives approved by Parliament for Crown corporations, I want to ask the minister if he will be sure to read paragraphs 1.18 to 1.24 in the Auditor General's report, which I hope will convince him, and will he then consult with his colleague, the President of the Privy Council, to get this legislation moving?

Hon. Donald J. Johnston (President of the Treasury Board): Madam Speaker, unfortunately I have not yet had the opportunity to read the report of the Auditor General. I look forward to doing so, and hon. members can rest assured that I will read the paragraphs in question and will consult with my colleagues with respect to those recommendations.

ROLE OF AUDITOR GENERAL IN RELATION TO CROWN CORPORATIONS

Mr. Bill Clarke (Vancouver Quadra): Madam Speaker, I am sorry that the minister was not with us this morning in the lock-up. However, the Auditor General said in his report that he, the Auditor General, as an officer of Parliament, should be the auditor of wholly-owned Crown corporations which are dependent on the public purse for assistance. Since at the moment only 58 of 460 or so Crown corporations are audited by the Auditor General, will the President of the Treasury Board also give the assurance to the House that this is in the sphere of his desires?

Hon. Donald J. Johnston (President of the Treasury Board): Madam Speaker, the hon. member for Vancouver Quadra knows full well how supportive I have been, and continue to be, of the concept of comprehensive audits when appropriate.

An hon. Member: What have you done about it?

Mr. Johnston: As I indicated in response to the two earlier questions, these recommendations coming from the Auditor General will be given most careful consideration by me.

QUERY RESPECTING GOVERNMENT ACTION ON RECOMMENDATIONS

Mr. Bill Wright (Calgary North): Madam Speaker, my question is also directed to the President of the Treasury Board. In his 1981 report the Auditor General has stated that progress in the IMPAC program, that is, the improvement of management practices and accountability, is disappointingly slow. He has also found that there are significant weaknesses in central management control over human resources and that responsibilities for financial management are split among the Minister of Finance, the Receiver General, and the President of the Treasury Board. What immediate action is the President of the Treasury Board intending to take (a) to reduce the delays in the implementation of the IMPAC program, (b) to remove significant weaknesses in central management control over human resources, and (c), to provide the Comptroller General with appropriate statutory authority to enable him to provide central direction to departments and agencies?

Hon. Donald J. Johnston (President of the Treasury Board): Madam Speaker, it is somewhat difficult for me to give a comprehensive answer inasmuch as the Auditor General's report has only been made available today, and I have not yet had the opportunity to read it. I can respond with respect to the progress on IMPAC. In fact IMPAC has been proceed-

ing steadily across government. The Auditor General tells us that progress has been disappointingly slow. We would all like to see greater progress. However, the progress has been consistent, and I am satisfied that the IMPAC program is very much on track. I would urge all hon. members of the House to pay close attention to the results of IMPAC, which is probably one of the most important management initiatives ever undertaken by the federal government.

MOTIVATION OF PUBLIC SERVICE MANAGERS TO ACHIEVE VALUE FOR MONEY

Mr. Bill Wright (Calgary North): Madam Speaker, my supplementary question is directed to the President of the Treasury Board. The 1981 report also states that the Auditor General criticizes the poor attitude of the Public Service managers toward achieving value for money in government programs. What specific measures does the President of the Treasury Board intend to adopt to ensure that Public Service managers are better motivated and held accountable more effectively?

• (1420)

Hon. Donald J. Johnston (President of the Treasury Board): That, Madam Speaker, is a very important question. It is one that we are addressing and continue to address. I should tell the hon. member that one of the projects under way that has been taken in response to the recommendations of the Lambert commission and the D'Avignon special committee has been to develop a philosophy of management across government. An early draft of this philosophy was circulated to members. It was made available to a wide number of critics, and it has now been put in final form.

I would be happy to make a copy available to all members of the House as soon as it is available. However, I think all members will recognize that this philosophy of management embodies as one of its fundamental principles the necessity of achieving value for money—to help with this philosophy of management, to vastly improve the attitudinal problems which have been addressed by the Auditor General, which were addressed by his predecessor in the past, and which have been addressed by independent critics, such as Mr. Lambert and his fellow commissioners, and the D'Avignon committee.

* * *

LABOUR CONDITIONS

REQUEST THAT MEASURES BE INTRODUCED TO END LAY-OFFS

Mr. Edward Broadbent (Oshawa): Madam Speaker, I have a question for the Minister of Finance. Yesterday the Minister of Industry, Trade and Commerce admitted that the growth rate in the Canadian economy will be 17 per cent lower than was forecast by the budget. Yesterday also saw Stats Canada releasing data confirming this same point. Finally, the more than 25,000 Canadians who have been laid off since the budget was brought down show too that the minister was wrong. Considering that today is the last day for the budget debate, is the minister prepared to announce that both his predictions and prescriptions in the budget were wrong, and is he prepared now to bring in measures to put an end to these lay-offs?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I cannot go along with the hon. member's preamble that both my prescriptions and projections were wrong. At times anyone of us can be wrong. There is no more likely place to be wrong than in the production of projections. It may be necessary to revise the projections of growth for the Canadian economy in 1981, but if that is necessary I will do it later.

* * *

BANKS AND BANKING

REQUEST THAT EXCESS PROFITS TAX BE LEVIED

Mr. Edward Broadbent (Oshawa): Madam Speaker, the question is not basically about predictions and projections, but as follows. Is the government prepared to change its course of action so that jobs will be provided? That is the issue.

Some hon. Members: Hear, hear!

Mr. Broadbent: Since the minister indicated yesterday that he would be prepared to establish a committee that will look into bank profits, I put the following question to him. We in this House know that bank profits are up to $1.8 billion this year. We think there should be an excess profits tax. In that context, is the minister now prepared to levy that excess profits tax. It would bring in $700 million in additional revenue and it would create 110,000 jobs that Canadians need, leaving the banks' profits at exactly the level they were last year.

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, it is usually not the practice to announce tax changes in reply to questions on orders of the day. When I propose any tax changes, I will announce them in the usual way.

REQUEST THAT PROFIT LEVELS BE LOWERED

Mr. Edward Broadbent (Oshawa): Madam Speaker, my final question is for the Minister of Finance. I preface it by saying that $700 million would be sufficient to create the 50,000 additional homes that we need in 1982. Therefore I put this proposition to him. Considering that construction of these homes would create in addition 14,500 manufacturing jobs, why is the minister reluctant now to tell the people of Canada that he would bring the profit levels of the banks down to reasonable levels and create the jobs and the homes that Canadians need?

● (1425)

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, you may have gathered the impression by now that I am quite skeptical about statistics that are daily used by the hon. member for Broadview. The statistics today are equivalent to those which he uses regularly saying that hundreds of thousands of Canadian families lost their homes owing to high interest rates. That is patently false. The hon. member is now producing another set of figures that probably, upon investigation, will prove to be equally false.

* * *

AUDITOR GENERAL

INTEREST CHARGEABLE ON NATIONAL DEBT

Mr. Jim Hawkes (Calgary West): Madam Speaker, I rise in my place to ask a question of the Minister of Finance. The minister will know that on page 12 of the Auditor General's report, in talking about the interest on the national debt, he says that paying that interest "accounts for more than one fifth of every tax dollar, and its load burdens all the people of Canada like a huge, high-interest mortgage." Some 20 cents out of every dollar, Madam Speaker, go to the bankers in Geneva, New York, and throughout Canada, so that bankers through investments receive more money than we spend on pensions, health care or post-secondary education. The solution is an issue of "political will", according to the Auditor General.

Can the finance minister give us an indication that he and his party are going to demonstrate the political will necessary to reduce the national debt and provide this country with more money for pensions, health care, and things of that kind?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, like the Auditor General I am concerned at the size of the national debt, and particularly the proportion of annual outlays that have to be spent to service the debt in the form of interest payments.

I disagree with the hon. member when he says that all these payments flow outside the country. I believe that is what I heard him say. There are many Canadians who hold Canada Savings Bonds and other debt instruments. A good deal of the debt is within the country—I would say almost all of it.

The hon. member is asking for an expression of political will. I believe I have demonstrated that political will in the budget when I indicated that next year my financial requirements will be reduced to $6.6 billion. If the hon. member will recall, earlier in the session, for the current year I introduced a bill asking for borrowing authority in the net amount of about $11 billion. The next bill will ask for $6.6 billion. I believe that is a rather substantial demonstration of my determination to reduce that proportion of total outlays assigned to the national debt.

Some hon. Members: Hear, hear!

WASTE IN GOVERNMENT SPENDING—RESPONSIBILITY OF MINISTERS

Mr. Jim Hawkes (Calgary West): Madam Speaker, I think what the finance minister said was that the principal of the mortgage is going to get greater and the interest payments are going to get higher, and he is bragging about it.

My supplementary question is for the President of the Treasury Board. The Auditor General on that same page indicates that one of the ways to reduce the deficit and reduce those interest payments is to reduce waste in government spending, and he says the key to that is "dedicated support of their ministers", that is, dedicated support to the civil servants on the issue of cutting wasteful spending. Can the President of the Treasury Board indicate to and promise this House that in a discussion with the Prime Minister of Canada prior to the shuffling of his cabinet, he will advise the Prime Minister to fire those ministers who are not concerned about economy and cutting down waste, and promote some backbenchers who perhaps are a little bit more concerned about cutting waste?

Hon. Donald J. Johnston (President of the Treasury Board): Madam Speaker, the hon. member is somewhat out of date. I think he is thinking of the preceding government. The ministers on this side of the House are all concerned about the economy and cutting down waste.

● (1430)

Some hon. Members: Hear, hear!

Mr. Johnston: If the hon. member for Calgary West takes the trouble to look at the budget speech, he will find that there is a specific direction to the Treasury Board, which Treasury Board ministers accept enthusiastically, to carve at least $100 million out of general overheads in the current year.

Some hon. Members: Hear, hear!

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HAZARDOUS SUBSTANCES

UREA FORMALDEHYDE FOAM INSULATION—ADVICE GIVEN TO SCARBOROUGH, ONT. HOME OWNERS

Mr. Geoff Scott (Hamilton-Wentworth): Madam Speaker, my question is for the minister responsible for Canada Mortgage and Housing Corporation which approved the installation of urea formaldehyde foam insulation. I am directing my question to this minister because the Minister of Consumer and Corporate Affairs told me to do so. Did the minister tell very disgruntled Scarborough home owners last week, as reported, to rip the foam out of their homes and, if he did say that, whose advice should UFFI home owners follow? Should they follow the minister's advice to rip the foam out, or the advice of the National Research Council to keep it in?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, at a monthly meeting in my constituency last week, I met with a group of home owners who were concerned about

the problem that the hon. member has raised. The discussion lasted for a couple of hours and covered a number of subjects, and some discussion touched upon what advice home owners should take. There was discussion as to what alternatives were available. I did not offer any specific advice. I indicated that the government, as a government, would be responding to the problem under the leadership of the Minister of Consumer and Corporate Affairs, within a short period of time.

NATURE OF MINISTER'S ADVICE

Mr. Geoff Scott (Hamilton-Wentworth): Madam Speaker, is the minister denying that he told the people to take the foam out of their homes, or is he saying that he and the government do not know what to tell those 100,000 home owners who have urea formaldehyde foam insulation in their homes?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, the advice which I gave home owners that evening was to await the decision of the government with respect to the concerns they raised at that meeting about health and finances, and I further undertook that after they had seen the government's response and had seen what recommendations the government makes on this difficult problem, and bearing in mind the many suggestions which were made that evening, if they were not satisfied I would be happy to respond to them on an individual basis.

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[*Translation*]

AGRICULTURE

INQUIRY RESPECTING DATE WHEN PRICE WATERHOUSE ASSOCIATES REPORT ON INDUSTRIAL MILK PRODUCTION COSTS WILL BE PRESENTED

Mr. Normand Lapointe (Beauce): My question is directed to the Minister of Agriculture, but since he is absent, I shall redirect it to his parliamentary secretary. In view of numerous requests from farmers in my constituency who are asking for an adjustment of target prices for industrial milk, I should appreciate it if the minister could inform the House when he will be able to table the report by Price Waterhouse Associates on Canadian production costs of industrial milk?

Mr. Marcel Ostiguy (Parliamentary Secretary to Minister of Agriculture): Madam Speaker, the report by Price Waterhouse Associates has just been received by the Minister of Agriculture and is now being examined. Meanwhile, there is a possibility that, by the end of this month or on the 1st of January, a new dairy policy will be announced for Canadian dairy producers.

[*English*]

LABOUR CONDITIONS

REDUCTION IN MINING OPERATIONS AT LEAF RAPIDS AND LYNN LAKE, MANITOBA

Mr. Rod Murphy (Churchill): Madam Speaker, my question is for the Minister of Employment and Immigration. At the present time the members of cabinet are receiving lay-off notices on behalf of the people of Canada. Attached to those lay-off notices are five pages of lay-offs which have occurred in this country during the last month. My first question is to ask the minister to do me a favour and make sure that his brother Tom also receives one of these lay-off notices. Let the axes fall where they may.

An hon. Member: The ax is worthy.

Mr. Murphy: I have a more serious question, Madam Speaker. Sherritt Gordon has announced reductions in the operation of their plant's mining operations in Leaf Rapids and Lynn Lake. They have ordered a meeting for December 18 to decide whether or not there will be lay-offs, and to what degree they will occur. Has the minister met with the board of directors or senior officials of Sherritt Gordon to decide whether or not lay-offs should occur, and to make sure there are some job creation programs in that region?

Hon. Lloyd Axworthy (Minister of Employment and Immigration): Madam Speaker, I should first point out to the hon. member that I am not my brother's mailman.

Mr. Epp: How about his keeper?

Mr. Axworthy: Second, with respect to proposed lay-offs, our department has a number of services which are available to both the employers and the trade unions. Our manpower consultative services will work with them to provide for any planning of help to the dislocated workers, if the two parties are prepared to sign an agreement. I personally would be quite prepared to deal with any interview or inquiry from any employer who would like some help. I am also prepared to deal with Members of Parliament who also bring those representations to us because we are very much concerned about the impact of lay-offs on the workers. As the hon. member knows, these are decisions made by the private employers which the government can only respond to, not dictate.

REQUEST THAT ONTARIO COMMUNITIES BE AIDED WITH EMPLOYMENT PROGRAMS

Mr. Ian Deans (Hamilton Mountain): Madam Speaker, my supplementary question is for the Minister of Industry, Trade and Commerce. There is hardly a single community in Ontario which has not suffered lay-offs. Up to this time in 1981 there are over 7,000 people who have lost their jobs permanently as a result of the inaction of the government. Exactly what programs does the minister propose could be implemented in the smaller communities of Ontario which have suffered significant lay-offs that would put those people back to work in

some meaningful employment in those communities, such as the building of houses?

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Madam Speaker, the over-all thrust of the budget is to create a sound basis for economic renewal.

Some hon. Members: Oh, oh!

Mr. Gray: Certainly its efforts in reinforcing the substantial decrease of interest rates since August is an important effort in terms of the job creation activity about which the hon. member has been talking.

An hon. Member: That is a great answer.

Mr. Gray: Also, Madam Speaker, we have the Industry and Labour Adjustment Program. The inter-ministerial committee which is chaired by the Minister of Finance, has been considering the possibility of further designations of communities, as I reported to the House yesterday, and I look forward to decisions being made by the government in the light of the work of that committee.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

* * *

HOUSING

MINISTER'S REPLY TO PETITION

Mr. Bill Domm (Peterborough): Madam Speaker, my question is for the minister responsible for housing who said in the House, just two minutes ago, that as far as UFFI foam insulation is concerned he is going to handle it on an individual basis. Never mind the groups, or delegations, or the people, he is going to take them on a one-to-one basis.

The minister said on October 26 he had undertaken in the House of Commons to follow up cases referred to him of people who were going to lose their homes.

Some hon. Members: Order.

Mr. Domm: What did the minister say just about a week ago, on November 25? He said, "Mr. Domm: I am writing in response to the petition you presented in this House . . . I will not be responsible—as minister of housing, I will not be responsible—"

Madam Speaker: Order, please. It is obviously not enough for me to look at the hon. member straight in the eye so as to indicate that his question is too long. I have to stand and ask him to shorten his question. I am asking him to go to his question immediately.

Mr. Domm: Madam Speaker, my question to the minister responsible for housing is, since he will not respond directly to these people who are losing their homes in Canada, when will he start telling the people and Members of Parliament the truth?

Some hon. Members: Hear, hear!

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, with the greatest of respect, the hon. member is obviously having difficulty with his hearing today. I recommend that he look at *Hansard* tomorrow so he will see, as I repeat the answer that I gave a few moments ago, that I invited people who were at that meeting to await the Government of Canada's response to the UFFI question. That is what I invited them to do, to await that response.

Mr. Nielsen: Wait for the budget.

Mr. Cosgrove: Further to that, I suggested that if they had any difficulties with that decision, any application to their particular circumstances, or if they do not understand, that just as the hon. member's leader was able to assist people on an individual basis last week in Metropolitan Toronto, I would undertake the same thing.

● (1440)

Mr. Domm: Madam Speaker, our leader handled the situation on an individual basis. That minister did not.

PLIGHT OF HOME OWNERS IN PETERBOROUGH, ONT.

Mr. Bill Domm (Peterborough): Madam Speaker, my supplementary question is directed to the minister responsible for housing. On November 12, in the House Of Commons, he said, "All cases received to date have been acted on." As of noon today he has not telephoned one of the 75 people whose names were submitted to him by the United Electrical Workers Union of Peterborough. When will the minister responsible for housing start telling hon. members in this House the truth? When can the people of Canada have any faith in this government, which continues to misrepresent, mislead, misinform, and not tell the truth?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, as I observed the support given by the Right Hon. Leader of the Opposition to a concerned household at the weekend, I noted that he indicated he was very thankful that they had, in effect, helped themselves by persisting in looking for that kind of support. I appreciate the fact that the Leader of the Opposition undertook that particular course of action for that single household. I have done that, with my officials, for literally hundreds of Canadians in the last few weeks.

THE BUDGET

CANADA MORTGAGE AND HOUSING CORPORATION ADVERTISEMENT—QUERY RESPECTING INFORMATION OBTAINED FROM DEPARTMENT OF FINANCE

Mr. Tom Cossitt (Leeds-Grenville): Madam Speaker, my question is directed to the minister responsible for housing. Last Friday the minister finally admitted that outsiders in Montreal had budget information before the budget was introduced in this House. I refer the minister to the statement to me by Peter Crombie, vice-president of Canada Mortgage and Housing Corporation, that such budget details on housing were obtained from the Department of Finance on the Monday before the budget. Will the minister tell the House the names of those in the Department of Finance who furnished this information to his department? Instead of daily soap opera episodes, can we now have these names? Can we now have the entire truth immediately about this incompetent and serious escapade?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, this question sounds like a question asked by the hon. gentleman last week. I indicated at that time that I would inquire as to the specifics. I believe it was on the next day that I confirmed that CMHC officials were supported by typesetters in a firm in Montreal in preparing ads which were shown in newspapers after the publication of the budget.

The hon. gentleman and his colleagues have been persistent in saying that they want Canadians to know what is going on in housing. They want to know what the government's programs are, and what we are doing to assist Canadians. We prepared material for publication immediately following the budget, and in that we had the assistance of typesetters so that we could release that material after the speech of the Minister of Finance in the House on November 12.

Mr. Cossitt: Madam Speaker, a moment ago the minister said there was something wrong with the hearing of the hon. member for Peterborough. In view of the way the minister answers questions I suggest there is something wrong with his hearing. He has not answered anything yet.

REQUEST THAT PARLIAMENTARY INQUIRY BE CONDUCTED

Mr. Tom Cossitt (Leeds-Grenville): Madam Speaker, the minister refers to other ads when, in reality, there was only one ad. Would he be prepared to table in this House or make available publicly, right away—so that they cannot be drafted later—the other ads that allegedly were available? At the same time, in view of all these developments in the last few days and the four or five different stories he has told, will the minister agree to a parliamentary inquiry, which he previously refused to do, and will he do the honourable thing and announce right now to this House and get it over with that he intends to do the country a great service by resigning from office?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, I am sure I answered almost the same question on Thursday or Friday of last week. I told the hon. gentleman that an ad was prepared. It was in five or six newspapers the day after the budget. At the weekend following, the ad I have here was published in approximately 140 other newspapers across the country.

We have to respond to Canadians from coast to coast, and that we have done in an attempt to advise them what is in the budget and what support this government has given to mortgage holders on renewal of their mortgages.

* * *

AGRICULTURE

DELAY IN PROCESSING APPLICATIONS FROM FARMERS UNDER SMALL BUSINESS DEVELOPMENT BOND PROGRAM

Mr. Gus Mitges (Grey-Simcoe): Madam Speaker, my question is directed to the Minister of Finance. It has been reported that since the budget only three farmers across the country have been extended loans by the Farm Credit Corporation, which now takes applications from farmers only after they have been turned down for Small Business Development Bonds, and there have been delays in processing these bonds, as the minister is well aware.

Will the minister tell the House the reason for this continued delay which is threatening to bankrupt farmers, and will he also tell this House when farmers can expect to have bond applications processed?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I received some representations earlier about delays in extending these facilities, particularly to unincorporated farmers. I understand that initially the banks were uncertain as to what regulations might prevail but since that time discussions have been held between the banks and officials of my department, and that the banks are now generally ready to accept such applications for such loans. In fact, I understand that some loans have already been arranged under this program. It is certainly my intention to facilitate the very objective the hon. member seeks, namely, that farmers have access to these additional benefits provided in the budget.

REQUEST FOR TEMPORARY ASSISTANCE

Mr. Gus Mitges (Grey-Simcoe): Madam Speaker, I am not aware that these bond applications have been processed. As of this morning I have received representations from my riding to the effect that people are still awaiting the processing of these bonds.

In view of the fact that the applications of the majority of farmers are not processed, will the minister consider some sort of financial assistance, albeit temporary assistance, for those individuals whose applications are now on hold, so that they can in some temporary way, for the time being at least, offset

the possibility of bankruptcies taking place in the very near future?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I would like to repeat that it was just about a week ago that I received assurances from the Canadian Bankers' Association that the information with respect to these loans ought to be available. If the hon. member has some particular institutions in mind, I would be happy to make some inquiries.

* * *

GRAIN

POSSIBLE EXTENSION OF ST. LAWRENCE SEAWAY SHIPPING SEASON

Mr. Paul E. McRae (Thunder Bay-Atikokan): Madam Speaker, my question is directed to the Minister of Transport. Given the disruptions in grain movement this summer and the ripple effects which have followed from that—one of these ripple effects being that up until about ten days ago there was only a very small amount of shipping going into Thunder Bay—could the minister give me some indication of what plans he and his department have respecting extending the St. Lawrence Seaway season to meet the commitments?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, the slowdown created by the summer strike at Thunder Bay is being rectified very rapidly. I have figures here indicating that the same level of exports between this year and last year has almost been reached now; so much for the capacity of Thunder Bay to pick up the slack in the delivery system due to the strike.

With respect to the Great Lakes, as my hon. friend said, there is some uncertainty as to the future with respect to iron ore, grain and coal. Consequently the Canadian and American Seaway authorities are now sponsoring an in-depth study on the future of the Seaway. For the time being the Seaway Management emphasizes the progress which is being made by way of getting more out of the system through technological and administrative improvements.

* * *

HOUSING

REQUEST THAT CONSTRUCTION BE STIMULATED TO HELP END LAY-OFFS IN BRITISH COLUMBIA FOREST INDUSTRY

Mr. Lyle S. Kristiansen (Kootenay West): Madam Speaker, my question is directed to the minister allegedly responsible for housing, or the lack of it. Today in British Columbia over 15,000 forestry workers—that is over 30 per cent—are laid off as a direct result of the economic policies of this government. As a direct result of the inadequate assistance provided for housing in the budget, in the coming year housing starts in Canada will fall some 50,000 below the number needed.

• (1450)

In light of the fact that over one quarter of B.C. wood products and 85 per cent of plywood go to the domestic housing industry, will the minister take immediate action to bring housing starts to an adequate level and thus help create jobs in the forest industry, or is the minister simply content to let Canadians go without either jobs or housing?

Some hon. Members: Hear, hear!

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, of course I am not anxious that people in associated industries that are supportive of the housing sector and the housing industry should be unemployed or that their products should not be used. It was for that reason, Madam Speaker, in an attempt to address the larger market that uses the forest products—and I am now speaking of the American and Japanese markets—that I, for example, spent a week meeting with my counterpart in June, the new secretary responsible for housing in the United States government, to talk about the plans of that administration to support housing and to get an idea of what the American markets would be.

Similarly, I took the opportunity of meeting for three days in the month of August in the City of Vancouver, British Columbia, with the minister responsible for housing in Japan. I toured some of the projects that the government has supported, the co-op and non-profit projects in Vancouver, in an attempt to interest him and explain the construction methods used in this country that might have application in Japan. In addition to that, Madam Speaker, the member ought not to be so pessimistic about housing starts in Vancouver. For example, I am told that with the re-introduction of the soft costs, the MURB ancillary provision, there has been an increase of 5,000 starts in Vancouver in the last two weeks.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

* * *

FISHERIES

QUERY RESPECTING FINANCIAL ASSISTANCE TO EAST COAST FISHERMEN

Mr. Ted Miller (Nanaimo-Alberni): Madam Speaker, I think the pink slip that the previous minister received should be a permanent lay-off for that answer.

Some hon. Members: Hear, hear!

Mr. Miller: I should like to address my question to the Minister of Fisheries and Oceans. The Atlantic coast fishing industry this year has been characterized by massive lay-offs, plant shutdowns, trawler tie-ups, and a bleak outlook for the future. The minister has simply responded to the concerns of the east coast fishery with vague promises, promises about orderly marketing, orderly catch of stock and more money for

quality products. Do the minister and his colleagues have any proposals to put before the House today in terms of financial assistance to fishermen and possibly to the processing industry? In view of his meeting yesterday with the ministers of fisheries of the provinces, does he have any indication from the provinces as to whether they will rationalize the processing industry in Canada?

Hon. Roméo LeBlanc (Minister of Fisheries and Oceans): Madam Speaker, I thought the meeting was very positive with certainly a very constructive approach. I hope to put to my cabinet colleagues very soon a program which should offer some assistance. That does not mean that we do not need to do some restructuring and long-term planning. I might say that I was somewhat disappointed to hear that, on the processing end of the industry, there does not seem to be a great deal of readiness to match the word "efficiency" on the one hand, and the word "rationalization" on the other hand. There seems to be the idea that somehow one can be "efficient" while keeping open everything that is now in existence. I was somewhat disappointed in that area, Madam Speaker.

* * *

THE BUDGET

CMHC ADVERTISEMENT—MINISTER'S STATEMENTS IN HOUSE OF COMMONS

Right Hon. Joe Clark (Leader of the Opposition): Madam Speaker, my question is directed to the minister of housing. As reported in *Hansard* at page 13683, on December 3, the minister said, and I quote:

—no person was aware who was not authorized and under normal budgetary security—all employees or civil servants in the employ or control of the federal government, no person beyond those was aware or had in their possession the particulars of the ad—

That is what the minister said on December 3.

In *Hansard* at page 13728, on December 4, the minister said:

The Canada Mortgage and Housing Corporation officials . . . were assisted by some employees of the firm of S&B in Montreal.

Will the minister tell the House of Commons which of those contradictory statements is the truth?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, I appreciate that the Right Hon. Leader of the Opposition was not in the House when I had the opportunity of explaining to the House that four employees of a firm, referred to in the quotes that he has just referenced, assisted CMHC employees in the actual printing of the advertisement that I talked about earlier in question period. Those four people were under the direct supervision of CMHC at all times.

The material that was prepared was taken under security by CMHC officials. It was not authorized for release until after the Minister of Finance had finished his speech on the budget in the House. That material then appeared as an advertisement the following day in approximately six newspapers in this country, and on the following weekend in approximately another 140 newspapers.

Again I would stress to the Right Hon. Leader of the Opposition that the objective of having that material available to the public was to provide information to the public, and, obviously, was to respond to their concerns, as witnessed by the petitions filed by the Right Hon. Leader in this House, in the many weeks leading up to the budget. It was an attempt to have a prompt response to concerned Canadians.

MINISTER'S STATEMENT ON DECEMBER 3

Right Hon. Joe Clark (Leader of the Opposition): Madam Speaker, the minister of housing evades my question. I shall again refer the minister back to his words in this House on December 3, in *Hansard*, at page 13683 when he said:

—no person was aware who was not authorized and under normal budgetary security—all employees or civil servants in the employ or control of the federal government, no person beyond those was aware or had in their possession the particulars of the ad—

That is what the minister said on December 3. Will the minister now tell us whether that was the truth?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, I am attempting to communicate to the Right Hon. Leader of the Opposition the fact that the firm that assisted the corporation officials in the reproduction of that advertisement, which was used the following day, were people who had assisted the corporation in that area on previous occasions. They were under direct supervision of the corporation. Their technical advice and talents were required. They had been used before. They had worked for the corporation before. They were employed, retained, and directly supervised by corporation officials.

REQUEST THAT PARLIAMENTARY INQUIRY BE INSTITUTED

Right Hon. Joe Clark (Leader of the Opposition): Madam Speaker, my supplementary question is now directed to the Minister of Finance. He will have heard the minister of housing admit that on one day the minister of housing said one thing to the House of Commons, and on the other day he said exactly the opposite to the House of Commons.

I have two questions for the Minister of Finance. One is that he evaded answering a question from my colleague, the hon. member for St. John's East, the other day when my colleague asked him whether he had taken action to satisfy himself that there were no budget leaks. His answer was that he had not heard anything in the House that would cause him to believe there were budget leaks. That was not the question. The question was, did he do his duty and satisfy himself that there was not the presentation, in advance of publication of the budget, of information to typesetters from Montreal or to anyone else? Has he satisfied himself? That is the first question.

An hon. Member: How many questions do you have?

Mr. Clark: What I am interested in is some answers.

The second question is, since the minister of housing has directly contradicted himself on the floor of this House, saying one thing one day and the opposite the next day, and since this is a matter that goes to the heart of confidence in the government, will the Minister of Finance agree to have a public parliamentary inquiry into all aspects of this matter so that the whole truth will be known?

Some hon. Members: Hear, hear!

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I did say in reply to the question that I had heard nothing to justify the view that there was a budget leak of any kind. I do not know of any circumstance that would lead me to conclude that there was a budget leak.

● (1500)

Mr. Nielsen: What about the answers of the minister of housing?

Mr. MacEachen: That is my conclusion. Therefore I do not see the necessity for any investigation.

Mr. Fraser: What is your conclusion?

Mr. MacEachen: Surely if there had been a budget leak in the sense to which we have learned about budget leaks—

Mr. Fraser: You would have told us about it.

Mr. MacEachen: —it would have been apparent to all hands. A budget leak is hardly a leak if it is held in secret.

Mr. Clark: Madam Speaker, as a supplementary question—

Madam Speaker: Order, please. It is past the hour and I have already allowed the Hon. Leader of the Opposition three questions.

Mr. Nielsen: Saved by the bell. Saved by the bell!

Some hon. Members: Oh, oh!

* * *

[*Translation*]

PETITIONS

MR. COOK—REQUEST FOR RECONSIDERATION OF BUDGET

Madam Speaker: I have the honour to inform the House that the Clerk of the House has laid upon the table the 152nd report of the Clerk of Petitions stating that he has examined the petition presented by the hon. member for North Vancouver-Burnaby (Mr. Cook) on December 7, 1981, and finds it meets the requirements of the Standing Orders as to form.

ROUTINE PROCEEDINGS

[*Translation*]

AUDITOR GENERAL

TABLING OF REPORT FOR FISCAL YEAR ENDED MARCH 31, 1981

Madam Speaker: I have the honour to lay upon the table the Report of the Auditor General of Canada to the House of Commons for the fiscal year ended March 31, 1981.

I would remind the hon. members that, pursuant to Standing Order 65(1)(q), this report is deemed permanently referred to the Standing Committee on Public Accounts.

* * *

[*English*]

CANAGREX ACT

MEASURE TO ESTABLISH

Hon. E. F. Whelan (Minister of Agriculture): Madam Speaker, I understand that consultation has taken place among the parties and that there is unanimous consent for the introduction of an act to establish a corporation called Canagrex to promote, facilitate and engage in the export of agricultural and food products from Canada, for which notice was received this morning.

Hon. Erik Nielsen (Yukon): Madam Speaker, we on this side are delighted to give our consent to the introduction of an idea initiated by the hon. member for Elgin (Mr. Wise) when he was in office. We in this party express our gratitude to the minister for perpetuating the idea of the hon. member for Elgin in this legislation.

Some hon. Members: Hear, hear!

Madam Speaker: Is it the pleasure of the House that the hon. minister shall have leave to introduce the bill?

Some hon. Members: Agreed.

Mr. Whelan thereupon moved for leave to introduce Bill C-85, to establish a corporation called Canagrex to promote, facilitate and engage in the export of agricultural and food products from Canada.

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

Mr. Whelan: Madam Speaker, I rise on a short point of order. I want to say thank you to the parties on the other side of the House for their tremendous co-operation.

Madam Speaker: That is not a point of order.

POINT OF ORDER

MR. BAKER (NEPEAN-CARLETON)—POSSIBLE AMENDMENT TO AUDITOR GENERAL ACT

Hon. Walter Baker (Nepean-Carleton): Madam Speaker, while the President of the Treasury Board (Mr. Johnston) is in the House, I should like to rise on a point of order. It relates to the introduction of bills. Since Madam Speaker tabled at three o'clock the report of the Auditor General rather than at two o'clock as we had expected, I wonder if the President of the Treasury Board could respond as to whether or not it is the intention of the government to respond to the request of the Auditor General that there be an amendment to the Auditor General Act which would permit more than merely the annual report as set forth in the report tabled a few moments ago.

Hon. Donald J. Johnston (President of the Treasury Board): Madam Speaker, in response to the inquiry of the hon. member for Nepean-Carleton (Mr. Baker), I have not yet had the opportunity to review the report of the Auditor General which has just been tabled. I shall immediately do so and I shall advise the hon. member, either in the House or privately, as to what the government's intentions might be in that regard after due consultation with my colleagues.

Mr. Nielsen: Tell us all.

* * *

PETITIONS

MR. McLEAN—THE CONSTITUTION—REQUEST FOR DELETION OF SECTION 33 OF CHARTER

Mr. Walter McLean (Waterloo): Madam Speaker, I wish to present a petition to the House sponsored by the Ad Hoc Committee of Canadian Women on the Constitution. This petition requests the removal of Section 33, the override clause, from the Charter of Rights and Freedoms. It has been signed by 30 petitioners who feel that Members of Parliament should delete Section 33 in order to guarantee to Canadians their basic rights and freedoms.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, the following questions will be answered today: Nos. 3,091, 3,093, 3,113, 3,114, 3,116, 3,157 and 3,320.

[*Text*]

ACQUISITION OF SHARES BY CANADIAN DAIRY COMMISSION

Question No. 3,091—**Mr. Clarke:**

1. During the period 1970-80 did the Canadian Dairy Commission acquire shares or other ownership interest in any other corporation, limited liability company or unincorporated company and, if so, what was the (a) name of the corporation, limited liability company or unincorporated company and any subsidiaries thereof (b) percentage of equity acquired (c) cost of acquisition (d) book value of the acquisition?

2. Does the Canadian Dairy Commission have a plan to change the present portion of ownership in any of these enterprises and, if so, what is the plan?

Hon. E. F. Whelan (Minister of Agriculture): 1. No.

2. Not applicable.

ACQUISITION OF SHARES BY LIVESTOCK FEED BOARD OF CANADA

Question No. 3,093—**Mr. Clarke:**

1. During the period 1970-80 did the Canadian Livestock Feed Board acquire shares or other ownership interest in any other corporation, limited liability company or unincorporated company and, if so, what was the (a) name of the corporation, limited liability company or unincorporated company and any subsidiaries thereof (b) percentage of equity acquired (c) cost of acquisition (d) book value of the acquisition?

2. Does the Canadian Livestock Feed Board have a plan to change the present portion of ownership in any of these enterprises and, if so, what is the plan?

Hon. E. F. Whelan (Minister of Agriculture): 1. No.

2. Not applicable.

ACQUISITION OF SHARES BY EXPORT DEVELOPMENT CORP.

Question No. 3,113—**Mr. Clarke:**

1. During the period 1970-80 did the Export Development Corporation acquire shares or other ownership interest in any other corporation, limited liability company or unincorporated company and, if so, what was the (a) name of the corporation, limited liability company or unincorporated company and any subsidiaries thereof (b) percentage of equity acquired (c) cost of acquisition (d) book value of the acquisition?

2. Does the Export Development Corporation have a plan to change the present portion of ownership in any of these enterprises and, if so, what is the plan?

Hon. Ed Lumley (Minister of State (Trade)): In so far as Export Development Corporation is concerned:

1. During the period 1970-80, EDC did not acquire shares or other ownership interest in any other corporation, limited liability company or unincorporated company although it may protect itself by including shares in security arrangements it has established. (a), (b), (c) and (d) not applicable.

2. Export Development Corporation does not acquire ownership in enterprises.

ACQUISITION OF SHARES BY FARM CREDIT CORP.

Question No. 3,114—**Mr. Clarke:**

1. During the period 1970-80 did the Farm Credit Corporation acquire shares or other ownership interest in any other corporation, limited liability company or unincorporated company and, if so, what was the (a) name of the corporation, limited liability company or unincorporated company and any subsidiaries thereof (b) percentage of equity acquired (c) cost of acquisition (d) book value of the acquisition?

2. Does the Farm Credit Corporation have a plan to change the present portion of ownership in any of these enterprises and, if so, what is the plan?

Order Paper Questions

Hon. E. F. Whelan (Minister of Agriculture): Farm Credit Corporation advises: 1. No.

2. Not applicable.

ACQUISITION OF SHARES BY NORTHERN TRANSPORTATION CO. LTD.

Question No. 3,116—**Mr. Clarke:**

1. During the period 1970-80 did the Northern Transportation Company Limited acquire shares or other ownership interest in any other corporation, limited liability company or unincorporated company and, if so, what was the (a) name of the corporation, limited liability company or unincorporated company and any subsidiaries thereof (b) percentage of equity acquired (c) cost of acquisition (d) book value of the acquisition?

2. Does the Northern Transportation Company Limited have a plan to change the present portion of ownership in any of these enterprises and, if so, what is the plan?

Mr. Robert Bockstael (Parliamentary Secretary to Minister of Transport): The Northern Transportation Company advises as follows:

1. Yes.

(a) Grimshaw Trucking and Distributing Ltd.

(b) 100 per cent.

(c) Proprietary information.

(d) Proprietary information.

2. No.

SCULPTURE ON QUEEN ELIZABETH DRIVEWAY

Question No. 3,157—**Mr. Cossitt:**

1. Did the National Capital Commission place two articles on the grounds bordering the Queen Elizabeth Driveway in Ottawa, Ontario and, if so, what are the articles?

2. Are the articles "works of art" and, if so, what are the names and job designations of all persons who declared they were "works of art"?

3. Does one of the items represent elongated orange crates made of wood and, if so (a) are the orange crates from California or Florida (b) is the item constructed of barnboard and, if so, is the barnboard genuine or fake (c) are the wooden extensions on the item supposed to represent parts of a Dutch windmill (d) was the item constructed in part from left-over parts of excess furniture from the Prime Minister's Office?

4. Does the other item represent a (a) ship's anchor (b) large can opener (c) back scratcher?

5. (a) In each case, who designed the items and who built the items (b) what is the name and job designation of the highest-ranking official authorizing the placement of the items (c) who owns the items (d) what was the cost to the taxpayer of the items?

Hon. Paul J. Cosgrove (Minister of Public Works): 1. Yes. One is a sculpture by Mr. Chung Hung of Vancouver, titled "12 points in a Classical Balance" and the other is by Mr. Ron Baird of Stouffville, called "Untitled".

2. Both sculptures are considered "works of art". The selection of these sculptures was made by the National Capital Commission's Advisory Committee on Arts.

3. No.

4. The sculpture represents a ship's anchor.

5. (a) Mr. Chung Hung designed and built "12 Points in a Classical Balance" and Mr. Ron Baird designed and built "Untitled".

(b) The National Capital Commission's Executive Committee chaired by Mr. C. M. Drury.

(c) "12 Points in a Classical Balance" is owned by the National Capital Commission. "Untitled" is rented for three years from Mr. Baird.

(d) "12 Points in a Classical Balance" was purchased from Mr. Hung for $24,700. "Untitled" is rented from Mr. Baird for $1,500 per year.

BURNBRAE FARMS LIMITED

Question No. 3,320—**Mr. Cossitt:**

1. To the knowledge of the government, is Burnbrae Farms Ltd. in Lyn, Ontario in the constituency of Leeds-Grenville one of the largest egg producers in Canada and is this farm approximately 75 miles from the Ottawa area?

2. Are egg distributors prevented from purchasing eggs from such sources as Burnbrae Farms and are they forced to go to Minnesota instead and, if so, for what reason?

Hon. E. F. Whelan (Minister of Agriculture): 1. Yes.

2. No.

[*English*]

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

[*Translation*]

Madam Speaker: The questions enumerated by the parliamentary secretary have been answered. Shall the remaining questions be allowed to stand?

[*English*]

Mr. Stevens: Madam Speaker, I rise on a point or order. Once again I ask the parliamentary secretary why there has been such a delay in answering question No. 2,042 which was put on the Order Paper on January 29. It asked the following simple questions:

What was the total cost of the Prime Minister's December-January world tour?

What percentage of the total cost of the trip will be paid by the Canadian taxpayer?

Mr. Smith: Madam Speaker, I will take note of the hon. member's representations and make further inquiries.

Mr. Nielsen: You must have quite a notebook by now.

Mr. Cossitt: Madam Speaker, I am sure the parliamentary secretary's day would not be a good one if I did not raise the fact that it is now well over five and a half years since I placed question No. 30 on the Order Paper. The parliamentary secretary hardly needs to be reminded of the question, but it asks how many members of the Canadian Transport Commission were issued passes on Air Canada, including their wives and employees of the Canadian Transport Commission.

I draw attention again to the importance of this answer which has been hidden for five and a half years. Because of the fact that Air Canada is regulated by the CTC, Air Canada is giving gravy to members of the CTC. Therefore, something is rotten somewhere. It is about time the question was answered. After five and a half years one can only assume that it is so rotten that the government does not want to tell us the answer.

The other question about which I want to ask is question No. 136 which also concerns Air Canada. Officials of Air Canada have told me that the answer was prepared a year ago and sent to the minister, but it is still not here in the House. It concerns a jet aircraft rented in the election of May 22, 1979, to transport the Prime Minister (Mr. Trudeau) on his various political travels across the country. A bill was rendered by Air Canada to the Liberal Party which disputed the amount of the bill and wanted a reduction of some thousands of dollars. I have asked whether the bill was ever paid and what was the reduction which the Liberal Party finally got, if any. It is straightforward; there is no reason to hide it.

Always we get from "Dr. No" the answer that it will be soon. Could I end my remarks by saying in future, instead of calling him "Dr. No", instead of calling him "Dr. Soon", maybe we should call him "Dr. Maybe Soon", "Dr. Perhaps Soon", or "Dr. Someday Soon".

Mr. Smith: Madam Speaker, of course I will take due note of the representations made by the hon. member, but I should point out that we are not obliged to answer questions to the House on the operations of the Liberal Party. The government, yes, but not the Liberal Party.

Mr. Cossitt: Madam Speaker, I want to make very clear that I did not ask a question about the Liberal Party. I asked a question about Air Canada, a Crown corporation, renting an aircraft to the Liberal Party, which is entirely different. My words have been misrepresented unintentionally in that I was not questioning the Liberal Party. I was questioning Air Canada about whether it had received payment from the Liberal Party for the use of that aircraft and, if so, how much.

• (1510)

Mr. Smith: Madam Speaker, I can assure the hon. member that I have made due note of his representation.

Madam Speaker: The questions enumerated by the parliamentary secretary have been answered. Shall the remaining questions stand?

Some hon. Members: Agreed.

GOVERNMENT ORDERS

[*Translation*]

THE BUDGET

FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The House resumed, from Monday, December 7, consideration of the motion of Mr. MacEachen that this House approve in general the budgetary policy of the government.

Mr. Irénée Pelletier (Sherbrooke): Mr. Speaker, just before the adjournment debate started last night, I informed the House of a proposal according to which an economic summit should be organized as soon as possible in Sherbrooke. I said that it would give us a chance to determine the condition of the various economic sectors in Sherbrooke and decide how we want our region to develop.

We cannot let decisions affecting our economy be made without having a say in their implementation. My suggestion for an economic summit means that someone will have to be in charge of organizing the summit. Without wishing to give anyone in particular a mandate or a set of tasks, or responsibilities, it seems to me that the industrial commissariat, in view of its fundamental role in Sherbrooke's economic development, would be able to organize a summit with the help of all economic partners in Sherbrooke. Personally, I am prepared to co-operate fully with the organizers of such a meeting.

Mr. Speaker, on a different matter, I would like to say something about the VIA Rail cutbacks announced in the last week of July by the Minister of Transport (Mr. Pepin). As soon as the government announced its intentions, I sent a telegram to the minister in which I expressed my apprehension as follows:

> I read in the newspapers that in the near future, your department intends to terminate VIA Rail services between Sherbrooke and Montreal. I cannot support such a proposal. I should appreciate it if public hearings were held on this matter and the government's decision postponed until the local residents have aired their views on the present rail services provided for Sherbrooke and the general area.

Many organizations in the area and a number of private citizens informed me that they were opposed to the decision, and one of the agencies that has been most active in this respect, the Eastern Townships Regional Development Council, informed the minister in a brief and in press releases of that agency's position which reflects the region's concerns.

I realize, Mr. Speaker, and the minister has said as much many times in the House, that some passenger lines in Canada are not profitable. In a letter I received not long ago from VIA Rail, in reply to questions I asked the Director of Government Relations, Mr. Branchaud, I was informed that for the line Sherbrooke-Montreal-Sherbrooke, the user rate averaged 30 per cent, but also that for Otterburn Park, Beloeil and Saint-Hyacinthe, the occupancy rate was 100 per cent, dropping after Saint-Hyacinthe to less than 25 per cent, that operating costs were $1.5 million and revenue only amounted to $140,-

000, which means that on the VIA Rail route between Sherbrooke and Montreal, the railway company is losing more than $1.3 million per year. I also asked VIA Rail authorities whether they could put an LRC on the line between Sherbrooke and Montreal, and they answered that there were only eighty-eight cars of that type in Canada, that they were in high demand elsewhere in Canada, on relatively short routes, and that they could hardly justify putting another unit train on this route because of the low user rate.

I also asked whether it would be possible to establish a quicker route between Sherbrooke and Montreal and I was told that this was impossible as there is no continuous rail on a direct route, but that a project for a bus service between Sherbrooke and Drummondville, from where passengers could then go on to Montreal and Quebec, was being considered. Mr. Speaker, outside Montreal and Quebec city, Sherbrooke has been one of the busiest stops of the passenger service for over a century. I recognize that the figures provided to us for the last two decades show a substantial drop in the user rate between Sherbrooke and Montreal, but since our region is already manufacturing passenger cars for other countries and for VIA Rail, we believe in the Eastern Townships that an alternative must be found if it is not possible to maintain the present service, which is scheduled for abandonment in September 1982. We have to look at other solutions, and in my humble opinion, RDC passenger cars would be perfectly appropriate to the needs of our region. We shall continue to make representations to VIA Rail and the Department of Transport asking that an adequate solution be found to this problem before September, 1982, when the service between Sherbrooke and Montreal is scheduled to be abandoned.

Mr. Speaker, the problem of the footwear industry is reaching tragic proportions in many cities and villages throughout Canada. Nearly 4,000 workers have been laid off since the beginning of 1981. Reports published in 1977 and 1981 following the comprehensive and detailed studies made by the Anti-dumping Tribunal recognized that the Canadian footwear manufacturers had been seriously disadvantaged by the loopholes contained in the legislation. Both reports of the Anti-dumping Tribunal suggested that the government take effective action to protect the footwear industry as a whole. Mr. Speaker, imports now account for over 61 per cent of the Canadian market, and I find this completely unacceptable. In my humble opinion, it is essential that the government seriously consider comprehensive quotas, which are much more effective, and I believe that if the system is not weakened by administrative procedures as it has been in the past, the effectiveness and competitive ability of this industry will be greatly increased. I share the opinion expressed recently by Mr. Maheux in a letter to us in which he said:

> We believe, and many experts agree, that the footwear manufacturing industry in Canada can be extremely vigorous, effective and better off competitively through an increased use of computers, and that it can become a positive element in the Canadian economy during the eighties if the federal government decides to extend comprehensive quotas for a period of five to ten years.

Mr. Speaker, in that industry just as in the textile industry a larger share of the Canadian market must be opened to Canadian manufacturers. And above all, let no one argue that we are not giving enough chances to the poor countries which are anxious to compete on the Canadian market. In the majority of cases the developed countries are those which are now causing the most damage to the Canadian market. Mr. Speaker, I must say that today the minister is meeting with a good number of shoe manufacturers and that he answered a question I put to him in the House last week by saying that he was prepared to listen to representations from the industry and, if possible, to bring in amendments to the policy on footwear.

I must say, Mr. Speaker, that it is imperative that the minister seriously consider some of the amendments advocated at this time by Canadian manufacturers and, since he is meeting with them today, I hope he will understand the plight of thousands of Quebecers and Canadians who work in that industry and who need to be reassured that the Canadian government will not now let that industry down by implementing the policy which has already been announced because, in my humble opinion, it will be quite vulnerable. Mr. Speaker, I see that my time has run out.

● (1520)

[*English*]

Hon. Erik Nielsen (Yukon): Mr. Speaker, this budget has been called an economic disaster and a blunder of the first magnitude. Even the Liberal members recognize that now. I will refer to the hon. member for York-East (Mr. Collenette) in a moment or two if he will just be patient, because I designed part of my speech to accommodate him. I said it was a blunder. It is a blunder of the first magnitude. Of that there can be no doubt. It warrants the appellation a "blunder budget". When the minister came into the House the other night, with great fanfare, great cheers—

Mr. McDermid: And a new pair of shoes.

Mr. Nielsen: —and a new pair of shoes, and unveiled his budget, he dropped a real clinker. It landed with a dull thud which is still being heard throughout the country.

Some hon. Members: Hear, hear!

Mr. Nielsen: Never in living memory has a budget been received with such universal criticism and disdain and such downright rejection. Those in trouble over mortgage payments, nearly one million Canadians, those in trouble over high interest bank loans, those who have been laid off and the farmers, all scrutinized the minister's announcement in a vain search for some small recognition of their desperate plight. Oh, there were lots of words: words of hope, words of good cheer and words conveying the message that help was on the way. That is what the minister responsible for housing said.

When the nature of the help was revealed, what was it? It was verbal cosmetics; nothing more and nothing less. It was a pallid, lacklustre attempt to convey an assurance of concern.

There is no concern in this budget and no milk of human kindness. It is a company report, a document exhibiting no care by a government with a total lack of care. It reads as though it were put together in a vacuum, so totally divorced is it from the real concerns of Canadians. It is quite obvious that to the minister and the gang of seven who put together the economic development formula at Meach Lake, the hardships and fears of the one million laid off and the 40,000 worrying about suddenly escalating mortgage payments were deemed to be very trivial indeed.

I now refer to the hon. member for York East. The other day we listened to him. He is highly regarded in philosophical circles in the Liberal Party. He explained his party's thoughts concerning those who were in trouble because of high interest rates. As a model of heartlessness and disregard for the facts, his speech was in a class by itself. He was placing the onus on the purchasers, and I think I quote him accurately, to look at their own financial situation. That was his remedy. He asked rhetorically, "Is it the duty of the government to subsidize lifestyle? Certainly not", he said. However, I say to him that it is the duty of the government, in a well managed economy, to so order its affairs that citizens will be assured of a measure of economic stability when they undertake large obligations and that they will not have the rug pulled out from under them by the mismanagement and indifference of an uncaring government.

This morning, on "Canada AM", the hon. member for Kenora-Rainy River (Mr. Reid) and his colleague were asked a very blunt but highly intelligent question by Pamela Wallin. She asked, "Why are you voting for a budget that is so roundly condemned?" "Oh", said the hon. member for Kenora-Rainy River, "we are not voting for all of these 120-odd budget resolutions. They are all going to come before the House and we will be voting on them. What we are voting on tonight has nothing to do with what is coming in the next month or two. We are just voting on a policy."

Mr. Paproski: Shame, shame!

Mr. Nielsen: The hon. member is not so stupid that he does not know the falsity of that kind of stand. What he and his colleagues are voting on tonight are all of those resolutions which will be before us in the weeks and months to come which are being authorized by this very budget. I know he did not pull the wool over Pamela Wallin's eyes, although I am sure he would have dearly loved to do so.

However, let us not try to pull the wool over the eyes of thousands of listeners to that broadcast. With regard to mortgage renewals, will he say that the mortgage renewal policy is not part of this budget? Does he condone what is happening to the mortgagors in this country who have been kicked out in the streets, or is that not a part of this budget policy? Will he be voting against the taxation of insurance premiums, or is that just a part of a resolution which will come along somewhere down the line? What utter tripe! I heard that hon. member this morning on "Canada AM" and I could not believe my ears. That is perhaps why he was not invited back into the cabinet after being left out in the cold. He was ceremoniously booted out.

The government's servile and heartless policy of high interest rates at 18 per cent—and that is a high interest rate—has condemned thousands of innocent people to suffer, to lose their savings, and to accept a deterioration in living standards. That is what the hon. member would be voting against tonight, unless he is for it, in which case he and his colleague the hon. member for York East will stand up and be counted on the side of implementation of that kind of heartless, uncaring policy.

Some hon. Members: Shame, shame!

Mr. Nielsen: That is exactly what Canadians are complaining about, and that is exactly the message the Minister of Finance (Mr. MacEachen) heard the other night from over 30 members of the Liberal caucus with whom he met after coming back from traipsing around Scotland and playing footsies with haggis and golf balls. The minister talked about restraint and equity.

Mr. Deans: Footsies?

Mr. Nielsen: I have nothing against haggis. I am sorry, I did not intend it as a racial slur at all, quite the contrary.

Mr. Deans: I hope not.

Mr. Nielsen: I do not like it, mind you, but I respect the taste of the hon. member for Hamilton Mountain (Mr. Deans) for haggis, at any rate.

When the minister presented his budget, he talked about restraint and equity. The words fell strangely from his lips as he spoke of increasing government spending by 22 per cent, taking $1 billion out of the economy in oil and gas taxes, and increasing his tax levies by $1.4 billion. If that is restraint, heaven help us if he ever lets go! Heaven help us if he ever takes the lid off!

There is restraint for everyone but the government. That is the policy of the government. Government members fly in formation to Winnipeg in three separate JetStars to attend the same function, for the same purpose, but they talk of restraint. The government goes ahead with its grandiose schemes for harnessing the economy—and that is the phrase it uses—for taking over resources from the provinces, for muscling in on business and industry, because, as the Prime Minister (Mr. Trudeau) says, "If the free market is not working very well, we will have to do something about it".

This government goes about its endless empire-building like a mole tunnelling in the earth, surfacing only when it needs more money to carry on borrowing further. Its requirements are endless. Close to $70 billion in the expenditure program in this budget have been allocated for purposes and objectives which remain in what I consider to be the realm of the

airy-fairy. It is the development formula produced by the Meach Lake bunch. What is that formula?

Mr. Paproski: Airy-fairy!

Mr. Nielsen: It is more and more expenditures for less and less results. The economy spins in an ever-narrowing circle. The bankruptcy parade goes on. The army of lay-offs and jobless grows, and the government gets fatter and fatter and does less and less. The government members are the lotus-eaters. The lotus-eaters grow fat, and ordinary Canadians, hassled by fear and uncertainty, do not know where to turn. That is the crime of this budget. It is a Shylock budget. It helps no one but the money lenders. The government preaches restraint, but then squeezes the economy like a sponge for its own debatable purposes and to indulge in its own ideological pretentions about managing the economy and manipulating the social structure. This budget virtually flattens the middle-class in this country. It lowers the living standards and expectations of millions of Canadians, wiping out savings accounts and their future hopes.

• (1530)

Mr. Reid (Kenora-Rainy River): Do you believe that?

Mr. Nielsen: Yes, indeed I believe that with all the fervour at my command, more than the hon. member for Kenora-Rainy River believed himself when he appeared on "Canada AM" this morning. He said that when he was going to vote for this budget, he was not going to be voting for all of these miseries that will be brought down on the heads of so many millions of Canadians. Yes, I believe it, more than he can honestly say he believed what he said this morning.

Giving the government an additional $2 billion in energy tax and additional taxation to play with is like giving a drunk a credit card for the liquor store. Sometimes it makes me wonder whether or not members on the other side might have such credit cards and are using them regularly.

Meanwhile, at the consumer level where stimulus is required, the dead hand of the government has come down hard. The palsied hand of this government is digging deeper into the pockets of Canadians more than any other government has in our history in order to seize whatever disposable income is left to them through so-called loopholes. In this regard, the government's approach is very like that of the mafia. Whatever it does not pick up is now defined as a loophole. The government is actually and literally taxing the teeth in people's mouths.

Canadians, hit with a whole series of higher taxes—and I wonder if the hon. member for Kenora-Rainy River is going to vote for that—are also being forced to pay an extra $1,500 annually to heat their homes and drive their cars so that this government can squeeze an additional $1 billion out of the economy. That is $1,500 for people in southern Canada, Mr. Speaker. It is far more than that in the north. Imagine how this budget hits the north. Can members imagine just how hard it hits those people living north of 60 where heating and transport are not luxuries but necessities of life, indeed, matters of life and death in the more remote Arctic communities? This hidden tax will add $2,500 annually to the cost of living of the average northerner and a great deal more for those in the more remote northern areas. This serves as a further disincentive to living north of 60 and it shows this government's total disregard for the future of northern Canada.

And still, as ministers drive around in their limousines to their $2,000 lunches or fly their individual jets in formation to party seminars, we hear the refrain "Restraint, restraint, for the end of the world is at hand". Then a few days before the election, the Meach Lake boys, the gang of seven, spent $130,000 boasting about how the government had spent $30 billion in 18 months. That is restraint? It is not the economy that needs to be restrained, sir, it is this government.

Then we had the egregious blunder of taxing assembly costs on residential housing construction which threatened to freeze 20,000 housing starts across the country. The minister, and I see him in his seat now, backed off when that matter was brought to his attention by the leader of this party. It was the first he had heard of it, although he had heard about a good many other things in the budget that somehow got out of his hands.

This raises the question of how many other situations of economic disaster have remained outside the minister's knowledge. Perhaps he just is not informed, or perhaps he just does not grasp the impact of his tax measures until disaster strikes. He should be in a position about now to realize that the budget is shoving this country into a serious recession, and that as the United States starts out of recession in the spring, we will be plunging down the slope, urged on by this feckless, tired and tattered government.

The budget simply tightens the screws on Canadians all across this land. Never was so much verbosity expended to achieve so little. The government's vaunted economic strategy can be summed up as "Loser takes all". They are steering this country to disaster amid a stream of clichés.

The Prime Minister, while addressing the party faithful a few weeks ago in one of the interim periods when he was not battling with Mr. Lévesque, said this:

> Canadians must come to their senses.

Canadians have been waiting for this government to come to its senses for a long time.

In his budget speech the minister dipped deep into the cliché department when he said:

> It is time to overcome our anxieties.

No doubt this was addressed to the thousands of people who have lost their jobs, the thousands who have lost their homes or the thousands who have seen their businesses go into bankruptcy. The chief anxiety suffered by most Canadians at this time is a government completely out of step with the rest of the country and with the needs of the country; a government marching to a different drum.

It would take a great many doses of MacEachen soothing syrup to calm the uneasiness that exists in the economy at the present time. At a time when hundreds of thousands of Canadians are feeling the pinch of economic hardship, this budget is a positive indecency. It constitutes a betrayal by the government of the assurances given in this House to home owners by the minister responsible for housing and others in the cabinet. "Wait for the budget" was the cry of the minister in charge of housing and the Minister of Finance. "Wait for the budget and all will be well'. Home owners waited and waited, but they waited in vain. There is nothing in this budget to assist one single home owner in weathering the storm of high interest rates, only cosmetic guarantees.

The minister has accomplished the nearly incredible feat of increasing inflation while slowing down the economy and producing rising unemployment. This makes him a destroyer of the dreams and hopes of thousands of Canadians, a destroyer without mercy, without concern, without care, who hides behind textbook clichés and outmoded panaceas while Canadians suffer.

At the same time we have his acolyte, the undistinguished minister responsible for housing, who trots around telling Canadians to lower their expectations, and to sit on orange crates. How could those expectations be lower while this gang remains in power?

This government has been overcome by an attack of unmitigated nationalism and Canadians are paying the penalty as the economy grinds to a halt. They have virtually transferred to the national field the policies advocated by Mr. Lévesque and his friends at the provincial level. We even now have the incredible spectacle of the Minister of Communications (Mr. Fox), in the name of his particular version of Canadian culture, threatening to tell Canadians what satellite programs they will be allowed to bring into this country. Next, they will be deciding what books Canadians can read.

So discredited is the minister's budget that rumours are flying in financial circles that it is about to be withdrawn and rewritten in its entirety. These rumours add to the prevailing uncertainty in money markets.

The budget has been rejected by the Ontario Liberals meeting in convention recently. They demanded a return of numerous incentives defined by the minister as "loopholes", including a restoration of the MURB program. That was one of the loopholes which the minister plugged, with the result that construction was frozen on some 20,000 housing units across the country. They demand tax-free interest on Small Business Development Bonds, tax deductibility for venture financing, and new incentives to entrepreneurs. The minister would do well to pay attention to these recommendations because, for once, the Liberal Party of Ontario appears to be in closer touch with what is going on in this country than this government is.

• (1540)

We have entered a phase of economic recession; homes are not being built, that is a fact; unemployment is spreading like a cancer across the country, and that is a fact; young people, those who have jobs, are being forced into debt by high mortgage rates, and that is a fact. Those are the miseries of this budget.

We are in this situation precisely because of the government's ill-advised and uninformed interventions in the economy, and because of the enormous spending by this government which has placed an insupportable burden on the economy as well as on the taxpayers.

Instead of cutting back on unnecessary expenditures, their solution is to increase taxes, squeeze the provinces and take more money out of the economy to finance their pet schemes, such as the $91 million loaned to a computer firm in Ottawa which subsequently went belly up, and the $6 million interest-free loan to an hotel promotion in Windsor, Ontario. These are the kinds of problems that get attention from this government. There has been a wholesale corruption of economic policy by the most blatant patronage considerations.

What is particularly disturbing is that, as the recession deepens and unemployment increases across the country, there is no sign of awareness by the minister or the government that Canadians are suffering. A recent report by Statistics Canada revealed that we have reached a zero growth situation in the economy, while inflation continues to increase without any signs of moderation. According to Statistics Canada, one of the major inflationary factors in the economy is the government's chauvinistic national energy policy, followed by the increased taxes on oil and gas, taxes which the Minister of Finance during the last election campaign said were going to be kept down as long as Canadians voted Liberal.

The budget is simply another example of the kind of authoritarian control which permeates every facet of this arrogant government's activities. What it is doing cannot be described as policies, for the benefit of the hon. member for Kenora-Rainy River, any more than the aimless fluttering of moths around a flame can be described as policy. The flame is love of power and the arrogant assumption of a right to tell Canadians what they must do and how they must think to satisfy the criteria of these men on horseback.

They have alienated Quebec, bankrupted the economy, forced thousands into the soup kitchens, brought exploration and initiative to a standstill or forced it out of the country, and pushed the frontiers of achievement in this country back to the thirties. Every single major project in the energy field has been stifled and curtailed because of their unenlightened interference in the area of free choice. The country can no longer afford the luxury of this government.

It is not the budget alone which must go. The government which produced the budget has outlived its usefulness. That, sir, is why this evening we are taking the unprecedented course on the sixth and final day of a budget debate of requiring a standing vote. It is unprecedented, yes, for it is usually the custom on the sixth day to allow the budget to be adopted on division. But this, sir, is an unprecedented budget, unprecedented in the misery it is causing millions of Canadians. It is the worst I have seen since I have been here.

I urge the hon. member for Kenora-Rainy River and the hon. member for York East to have the courage of their convictions and to do right by their constituents, along with any other of those 30 colleagues who met in caucus with the minister the other night, and vote against the continuation of this misery, if they are to do a service to their constituents.

Some hon. Members: Hear, hear!

Hon. John M. Reid (Kenora-Rainy River): Mr. Speaker, I want to say how much I enjoyed the speech by the hon. member for Yukon (Mr. Nielsen). I thought he read it very well. I can recall the days before the hon. member for Yukon had the opportunity of being a cabinet minister and of spending some time in the ministry, where he usually had people to write his speeches for him, when he was able to stand in the House with a few notes written on the back of a cigar box and entertain us with witticisms we knew fell from the heart. Now what has happened? Because of the status to which he has now risen, he has fallen into the habit of having others write his speeches for him, as it was in the days when he was minister. I am one of those who regrets very much the lack of spontaneous wit with which the hon. member used to entertain the House. What we are getting now is written wit; written, I think, with a certain skill, but it certainly does not tumble from the lips the way it used to.

Now that the hon. member for Yukon has acceded to the position of House leader for the opposition, I know he would not want to accept a lesson in procedure from somebody as humble as myself. However, I did think it would be extremely useful to read to him the motion we are going to vote on tonight. The motion is found, of course, in the papers of the House of Commons and I will just read it, although the hon. member, I know, knows it full well. It says that the motion has been moved by Mr. MacEachen, seconded by Mr. Pinard:

> That this House approves in general the budgetary policy of the government.

It is on that motion, which we will be voting on at 9.45 p.m., that I will be casting my vote.

What I tell the House and the hon. gentleman is that in general I do approve the budgetary policy of the government. I say that I do have, as do many other members, reservations about the proposed changes in tax legislation contained in the budget. I think that is no secret. I think it is also fair to make clear, as the hon. member for Yukon fully understands, that we will not see what that legislative proposal is until probably after Christmas, at which time the legislation will go through the House in the usual way for tax legislation. There will be a choice given to the House, I hope, as to whether that legislation is dealt with on the floor of the House of Commons or in a standing committee. At that point, in one way or another it will go through three readings in the House of Commons. I will have the opportunity, as will other members, of speaking on the specific details of the tax policy, because it will only be then that they come into effect and become law.

It is on that basis that I have decided to support the budgetary policy of the government. I believe the budgetary policy, as distinct from the tax policy, is reasonable under the circumstances.

The hon. member for Yukon has raised an interesting point, and that is the method by which we proceed in dealing with the budget in this House. It is clear from the examples of the last four or five budgets that the procedure we follow is inherently destructive. What happens when the budget is prepared? It is prepared by a very small number of officials in the tax policy section of the Department of Finance. They do not have the ability, as they have on almost any other item, to consult with other civil servants. Nor do they have the right and are not allowed to discuss tax policy with anybody outside the governmental system. So this is an extremely small group. Furthermore, to carry it to absurdity, the Minister of Finance (Mr. MacEachen) traditionally does not discuss it with his colleagues in cabinet and usually the Prime Minister (Mr. Trudeau) is only informed after the budget is in the hands of the printer.

• (1550)

So we have this fundamentally important document developed in secrecy by an extremely small number of people, and consequently every Minister of Finance ultimately comes to the House saying that he made a mistake and had to change it. We have seen examples of this time and again with every Minister of Finance and it is accepted by the House as a normal part of the procedure. We have seen that when the Minister of Finance proposes tax policy changes, they are changed. If we study the tax policy changes of any Minister of Finance and then see what the final legislation says, we will find that almost every section is significantly changed.

The reason for that is simple. It is that this limited number of people simply cannot comprehend the totality of what the Canadian economy is all about. In many cases, the budgetary papers provide for a forum for the discussion of tax policy matters. That is another matter. In my judgment, it is separate from the question of over-all budgetary operations.

Why do we have all of this secrecy? I suspect there are two reasons. First, the British have it and ours is fundamentally a British system. Second, the Americans do not have it and for that reason it must be good if we have it.

It seems that we should be moving away from the tradition of secrecy and becoming more open by striking down the veil of secrecy, which does nothing more than encourage the debate of tax policy before we even have it.

Some hon. Members: Hear, hear!

Mr. Reid (Kenora-Rainy River): I might say that these excessive measures to impose budgetary secrecy are one of the main reasons why budgets do not very often meet the quality which we should demand and expect.

I have other suggestions for change. I think that once we eliminate the secrecy and open up the system, we must admit that there should be the possibility of releasing this information and the concepts that the minister is working on ahead of

time so that people will have an opportunity to comment on them, the same as is done for other legislative proposals. I also think that we have to eliminate retroactive legislation. I believe that that concept is foreign to parliamentary democracy. It is especially foreign to parliamentary democracy when we see that the retroactive legislation proposed by the minister is usually changed extensively before it takes its final form in law. As a consequence, we have three sets of laws occurring at one time. There is the law as it exists, the law as it exists in the words of the minister and the law as the Parliament of Canada will eventually develop it. Often there is a tremendous difference between those three forms of law.

The process as it now exists creates a great amount of uncertainty for business and for everyone in the economic community. Is strikes me that the time has come for us to eliminate this concept of retroactive legislation, but I would suggest that there be one exception, and that is that the minister have the authority to set rates when he brings down his budget. He can take the existing taxes and change the rates but should not have the authority to do the things which he has been doing, such as legislation being enacted retroactively. I think this is important and it should be one of the matters discussed in the Standing Committee on Procedure and Organization.

I would also like to say that I am disappointed in the House leader because his long promised changes in procedures in the House of Commons have not yet appeared. This Parliament has been in session for nearly two years and I think this long delay should not be tolerated.

In examining the whole budgetary process, we must have regard to the way legislation is treated on the floor of the House. I think it is absurd that in this day and age our Standing Orders require that the budgetary bills be dealt with on the floor of the House of Commons. That requirement should be eliminated so that the legislation can be dealt with in committees so the ordinary citizens of Canada can appear before the committee and make their opinions known. It is not right that Canadians should have to make their views known through their Members of Parliament, who may or may not understand the complexity of their case. It is important to allow people to present their case directly and specifically to members sitting on the commmittee on matters as important as tax policies. That is a very important reform.

I could discuss the question of budgetary secrecy and the changes that I would like to see, but I will move now to the subject of budget basics. I generally approve of the basic thrust of the budget. For example, I think that the deficit has been far too large and that it is time we began to tackle it. It is time that the Minister of Finance and the Governor of the Bank of Canada sang the same tune, or at least sang in harmony. For the last number of years the Government of Canada and the Minister of Finance have followed one direction and the Governor of the Bank of Canada has gone the other way. I think the House should take note that for the first time they are at least trying to follow the same direction. That is a unique situation for which the Minister of Finance should be congratulated. It has not been an easy choice for him to make.

If hon. members were to review the speeches made during this debate, it would be evident that very few speeches have dealt with the budget itself. What we have heard from members on all sides of the House are pleas from individual groups of constituents who are being badly hurt by the current inflationary process. Those pleas should be made and listened to because there are casualties. However, if we look at what the solution would cost, the estimate is that if just the basic concerns were considered the government would be looking at an expenditure of a minimum of $20 million to protect the people who are caught up in the war against inflation. If we added all the expenditures that business has asked the government to make in one form or another on their behalf, we would be looking at another $20 million.

The fact of the matter is that at some point it must be decided how much revenue should be taken out of the system to spend on government programs. The government has decided to hold down the expenditures as much as possible in spite of the fact that it is carrying four massive spending programs in Canada at this time. The first of these massive spending programs is the subsidy to keep oil prices down. The amount of money the government has spent from 1974 to 1979 is $12 billion to subsidize the price of oil we import into Canada. That is a lot of money which comes out of the pocket of the average Canadian taxpayer. We are emerging from that program but the fact is that $12 billion has been spent from which there has been no real return.

The second large expenditure program is indexation. Most of our social expenditures have been indexed and, furthermore, we have indexed almost all of the revenue we get from individuals. Consequently, we have built into our spending approximately $2 million to $3 million every year, and the amount is increasing, to meet that indexation cost. This means that our expenditurs must go up to meet that cost. At the same time, we have built a decline into our revenue requirements because we have indexed the amount of revenue we are prepared to take. The cost of that indexation amounts to around $5 million a year. This is a massive spending program in itself. I think there is a general consensus in the House that we should continue that kind of program, but it costs a great deal of money.

The third spending program is—

Mr. Crombie: It is not spent.

• (1600)

Mr. Reid (Kenora-Rainy River): It is money that is spent. It is money that the government must find somewhere in order to make those expenditures. For example, if the Minister of National Health and Welfare (Miss Bégin) is going to spend $1 billion on, say, the guaranteed income supplement program and that is indexed to the rate of inflation, the next year she not only has to find what she started off with but she also has to find the additional; so the consequence of that is that she

must find, or the government must find, that amount of money every year. And let us remember that the government is not taking the inflationary quotient that is in the economy any more because we have indexed our revenues. The revenue goes down, expenditures go up and, in my judgment, that is a massive spending program.

The third spending program is, of course, the deficit. If we look at the amount of money it takes to service the deficit, we find that the deficit now takes up some 20 per cent of the budget of the federal government.

Mr. Nielsen: You made it.

Mr. Reid (Kenora-Rainy River): Let us go back and take a look at that. Where does that deficit come from? I wanted to know where it came from, so I went to the research department of the Bank of Canada and asked where the Canadian deficit comes from. Does it come from indexation? Does it come from spending money on the oil subsidization program? No, I was told, it comes from the reduction in income taxes, sales taxes or corporation taxes which every Minister of Finance has put into his budget since 1974. Of course, they were behaving in a good Keynesian way. They were trying to pump up the economy. Pump, pump, pump every year and that made up 90 per cent of the deficit of $14 billion. If in fact that deficit came from that expenditure of money, lowering taxes means that eventually we have to pay for it, and we pay for it through the service of the national debt. We have done it so much that we have created a situation in which that is now the fastest growing spending program of the federal government.

When hon. members tell me that they do not want to have taxes raised but that they want to have expenditures increased substantially to look after the people who are being hurt, I have to ask hon. members where the money comes from. Do we go back to the market and borrow more, squeeze out the private borrower and raise interest rates by competitive action? Do we raise taxes to try to pay if off and to control it? Or do we ask the Bank of Canada to start printing money and increase our inflation rate? I know of no other way that the Government of Canada can raise money than by those ways, and I certainly would like hon. members who come to the House of Commons to plead the case of their afflicted constituents to tell us where we are to get the money and how it should be expended.

We have a real problem in this country, and that is what this budget is all about. It is one of the first budgets I can recall which really tries to deal with the over-all financial state of the Canadian government and tries to relate it to what the Bank of Canada is doing and to Canada's position in the world. I think the Minister of Finance deserves a great deal of credit for that. I would have been happier with what the Minister of Finance had done had we had a debate on that subject in this budget debate, but if hon. members look at the speeches which have been made during this debate, they will find that the number of people who have tried to address this very difficult question is indeed very small. I say to the hon. member for Yukon that I am going to vote for this budget because it tries to address the real questions in the Canadian economy.

I want to quote an economist under whose regime we are now living. Perhaps I might better say whose regime we are leaving.

> —if (my) ideas are correct . . . it would be a mistake, I predict to dispute their potency over a period of time . . . the ideas of economists and political philosophers, both when they are right and when they are wrong, are more powerful than is commonly understood. Indeed, the world is ruled by little else. Practical men, who believe themselves to be quite exempt from any intellectual influences, are usually the slaves of some defunct economist. Madmen in authority, who hear voices in the air, are distilling their frenzy from some academic scribbler of a few years back. I am sure that the power of vested interests is vastly exaggerated compared with the encroachment of ideas. Not, indeed, immediately, but after a certain interval; for in the field of economics and political philosophy there are not many who are influenced by new theories after they are twenty-five or thirty years of age, so that the ideas which civil servants and politicians and even agitators apply to current events are not likely to be the newest. But sooner or later, it is ideas, not vested interests, which are dangerous for good or evil.

For hon. members who are curious as to who wrote that, it was John Maynard Keynes in the concluding page of "The General Theory".

Mr. Crombie: What year?

Mr. Reid (Kenora-Rainy River): It was 1936.

One of the things which concerns us is that we seem to have come to the end of the Keynesian period. The concept of high inflation combined with high unemployment is something which is not possible under Keynesian theory. It certainly was not predicted, and certainly Keynesians have no idea how to deal with it. It may well be that the Keynesian theory, which was developed at a different time and in a different place and which was implemented by governments more or less after the Second World War, is like those sub-atomic particles which physicists study and which physicists have said that in the act of studying them, you change them.

It may be that the implementation of Lord Keynes' theory has actually changed the economy so that the theory itself no longer applies to the economy which has been created as a result of the application of that theory. I do not know. I am not an economist. I am not a trained economist, but I do know that if Lord Keynes is correct about the scribblings of madmen which are followed by politicians, civil servants and business leaders, if he is correct that the theory will be important to these people because it gets into the environment in which people move and act, and if it is true that we have come to the end of that theory, what theory do we follow when we come to framing our budgetary policies? What theory do we follow when, in our own individual lives, we come to predicting the future and making our own personal investments? If we are in the corporate sector, how do we make the same kinds of judgments about the money that is saved by ordinary people? If we do not have a road map and if we do not know where we are, how can we determine where we want to go?

I think the real dilemma right now is that there is no road map that applies. There is no consensus in economic theory in North America. Having returned from a month in Europe

where I had the opportunity to talk with a great many leading politicians and civil servants about the problems their economies in the Common Market were facing, I can tell hon. members that they also have no road map at all. If we examine what is going on in the world, we will see that each country has taken a different tack. The countries of the world have tried different theories, and at the present time the world is a laboratory of conflicting economic theory being put into practice. All of us in the OECD countries are suffering from the same malaise. We are all suffering from high unemployment, high interest rates and a lack of markets, and it seems to me that if in fact these conditions of the disease are not unique to Canada but are found in almost every other country, the best we can do is try to analyse our own set of circumstances and cut our cloth according to those circumstances. We should be examining with a great deal of care what is going on in other countries so that we can see perhaps more of the forest and less of the trees, where some of the paths go and avoid going down some of the dead-end alleys.

It strikes me that we have not yet begun that part of the exercise in Canada because the debates up until now show that this has been a subject most hon. members have avoided like the plague. I admit that I have no answers, but I do say that the Minister of Finance is about the only politician in this country who has attempted to grapple with these questions and to take the Canadian economy, and particularly the financial status of the Government of Canada, and try to put it on a new track and combine what is going on in the operations of the Government of Canada with those of the Bank of Canada. As I said, this is the first time in a long time that a Minister of Finance and the Governor of the Bank of Canada have been going down the same path. While it may not lead us to the promised land, Mr. Speaker, it is a lot better than to have them go in opposite directions. On that basis, it is a decision which impresses me enough that I can happily vote for the budget, with no regret.

• (1610)

Hon. David Crombie (Rosedale): Mr. Speaker, I listened with considerable care and attention to the remarks made by the hon. member for Kenora-Rainy River (Mr. Reid). The hon. member went into the question of economic theory, a matter that I shall return to in the last couple of minutes of what I have to say.

One of the great things about budgets is that they tell the truth. Whether a budget is a family budget, a national budget, a provincial budget or a municipal budget, budgets do a couple of things. First of all, it tells exactly where one is in relation to the numbers one has to work with; it tells the people in a family or in a nation what kind of vision the government might have, what kind of philosophy operates behind the budget.

Unfortunately, in the last number of years it has been very difficult for people to understand budgets. Budgets have become incredibly complicated. If I may, Mr. Speaker, let me read one quote which I had from the now President of the Treasury Board (Mr. Johnston) when he made a comment with respect to what had recently happened to budgets. He said that budgets had now taken up more time and more energy by accountants and lawyers than it would have taken had they been involved in some productive labour—that is the final part of the quote. Because, indeed, it is difficult for ordinary individual taxpayers to understand how they are being affected by the budget. It is even more complicated for people in small and medium-sized businesses to understand what indeed is happening to them.

The other night the Minister of Finance (Mr. MacEachen) rose in his place and said: "I have for you a budget which does three things: it is going to give restraint"—everyone is in favour of restraint—"it is going to offer equity"—everyone is in favour of fairness—"it is going to offer recovery"—we are all desperately seeking recovery, Mr. Speaker. When he said those things, most people said, that is right, that is what we want. Those honeyed words of "restraint", "equity" and "recovery" were just what everyone wanted to hear. That is why the initial response to the budget in the newspapers, on radio and television was something like "a neutral budget". One newspaper was quoted as stating that. Someone else called it "a stand pat budget". Another said "housekeeping".

The fact of the matter is that initially everyone listened not to the budget but to the words about the budget. They did not listen to the song but to the singer. Every time one does that, one tends to lose the reality of what is happening. Indeed, many people of this country began to be seduced into saying: "Gee, I guess it is all right". That was until, of course, they were able to read more, listen more, think more, and then the whole thing began to unravel before their very eyes. Because it was a budget not of any large slash; it was a budget of one thousands cuts. The cuts were not in the budget, but it affected increasingly more and more people. As those little circles began to go towards the shore, hon. members of the House, journalists, the media and other people who observed the scene began to get the effects of those ripples. The gathering storm about this budget got bigger and bigger and bigger. It will not go away, Mr. Speaker. I should like to explain to the Chair and to the House why I believe the gathering storm hovering over the Minister of Finance and hovering over this country will not go away. The demand for the revision of the budget will increase daily. It is increasing now and it will increase in the future.

Let me look, first of all, at the question of equity. Indeed, when the Minister of Finance read the budget speech, he spent most of his time on equity. He had little to say about restraint, and even less to say about recovery. He spent most of his time on equity, because he knows that Canadians are instinctively fair-minded people who like to have fair treatment. They like to have fair treatment for themselves and they like to have fair treatment for other Canadians.

Let us look at the second principle in the budget, equity. Whom does this budget favour? Where is the equity? For whom does that equity flow in this budget? Is it fair, Mr. Speaker, to home owners? There are 1.2 million home owners who will renegotiate their mortgages over the next few months

at interest rates which are not only unacceptable but impossible for them to manage on the money they earn. The minister responsible for housing, who is present in the House, knows that from a CMHC report from his officials. CMHC predicts that 40,000 Canadians will lose their homes in the next short while. Is that the fairness that is supposed to be in the budget? Is that the equity, Mr. Speaker?

Mr. Evans: I want facts.

Mr. Crombie: The hon. member wants facts, Mr. Speaker. If the hon. member will allow me the short time I am allowed, and if he takes notes, he will have them. The hon. member for Ottawa Centre (Mr. Evans) should take some notes, because there are people in his constituency who would like to know what those facts are. They know the facts that are affecting them. For example, look at renters, Mr. Speaker. There is no choice now in this country as to whether or not one will rent an apartment or a home as opposed to owning a home. The vacancy rate in this country is now at 0.3. According to the budget of the Minister of Finance in 1983 the vacancy rate will approach zero. That is a fact, I say to the hon. member for Ottawa Centre. If one were to examine the budget, there is no choice any more for renters in this country. We are supposed to build 90,000 new rental units to keep up with the demand we already have. At best, if one were to use the figures to the best of their ability, the budget offers 15,000. That is not fair.

I spent yesterday in All Saints Church in downtown Toronto. It is now called the "Church of last resort". Every hostel space in Toronto now has one and a half claims on it. There are 50 per cent more people looking for space than we have available in hostels alone. Is that fair?

What about the unemployed? Maybe they see that the equity comes to the unemployed in this budget. There are almost one million people on record looking for work in this country. That is 8.2 per cent of the work force, including 62,000 people in the residential construction industry alone. Is it fair to them? The unemployment rate for native people in this country is 35 per cent to 75 per cent. Is it fair to them?

Forty-one per cent of the women in this country who are sole supporters for their families live below the Stats Canada poverty line. Is that fair? Is that what the government means by "fair"? Maybe it is fair to the young people, I say to the hon. member for Ottawa Centre. Maybe that is what the hon. member means. The unemployment rate for young people between the ages of 15 and 24 is 14.1 per cent. Every time one reads the unemployment figures, Mr. Speaker, one should remember that 44 per cent of those figures represents people between the ages of 15 and 24. That is not fair.

Is the government doing anything about job creation in this budget? There is not one new initiative in the budget with regard to job creation. Out of all of the pages in the whole of the budget, there is only one page that deals with human resource development. They did not even use the entire page. It called for a comprehensive review of job creation in the 1980s. It is now almost 1982. The time for job creation for the 1980s was in the 1970s, so that young people would have a chance. Is there any opportunity for growth in our educational institutions to train young people in technical and technological fields? The answer is no. The government is cutting back $5.7 billion over the next five years in grants to educational institutions which engage in technical and technological education. Is that fair? Is that what the government means by fair.

• (1620)

Is it equity? For whom is it equity? Is it equity for small and medium-sized businesses? Do they remember small and medium-sized businesses? First, small and medium-sized businesses create the majority of new jobs.

Mr. Evans: This is the same speech you have given for the last number of years. Get down to the details.

Mr. Crombie: Second, they make a major contribution to growth in the country through technological innovation. Third, all these businesses are technologically and research intensive. I have mentioned these things about small and medium-sized businesses because the clack over there who keep yelling will pay for it dearly when they meet with their constituents. They know this from their own mail and telephone calls. The government, through this budget, dealt a body blow to small and medium-sized businesses from which they may never recover for years to come. This is why the Canadian Federation of Independent Business, which represents 63,000 businesses in the country, declared war on the government, on the budget and on the minister. The federation did this because it knew that the budget offered absolutely no opportunity for investment, which creates jobs.

Perhaps it is fair to senior citizens. One in every three people over the age of 65 lives below the Statistics Canada poverty line; 350,000 women over the age of 65 live below the poverty line. Of those between the ages of 55 and 64, 39.4 per cent live below the poverty line; between the ages of 65 and 69, 34.6 per cent; over the age of 70, 48 per cent. I notice the hon. member for Ottawa Centre is not paying any attention to these facts. The reason I mention senior citizens is because absolutely no relief was promised them in the budget. Worse, the government has prated about the necessity of pension plans in the private sector being better so that they serve more Canadians. The budget taxed registered retirement savings plans and life insurance policies.

Mr. Evans: That is untrue and you know it.

Mr. Crombie: That is what the budget did to people who have worked hard for decades to save money and put it away on a monthly basis against their old age. The government decided to take as much of it as it could. Hon. members opposite do not like to hear this because they know it is the truth.

Mr. Evans: It is totally false.

Mr. Crombie: What about equity and recovery? The budget is an unmitigated and uncovered attack on incentive, individual effort and creative spirit.

The hon. member for Kenora-Rainy River (Mr. Reid) was interested in how we were to get new money. He was very interested and concerned about the theory of getting money to pay for things. One theory which has always worked is to ensure that those who want to invest and to create jobs are allowed to do it. It is not a government budget which creates wealth. Is is the people of the country who create wealth, and it is the budget which is holding them back. That is how they get money for programs.

The gathering storm will continue because there is a smell of tragedy about the budget. People really know this down deep. It said to people: "Remember how you used to think you could get ahead? Forget it. Remember how you used to think there were chances and opportunities? Forget those."

The budget needs to be revised. Indeed I predict, despite what the clack says, that the Minister of Finance will revise the budget. Because he must revise it, and he must listen to the Canadian Federation of Independent Business. The federation set out the following rather neatly in the newspaper today:

> The MacEachen budget is not what it seems to be. It is a sly, devious document that nearly fooled us all.

Absolutely, and this is why the minister will change the budget. Hon. members opposite who do not want to listen to the truth will have to find something else to say, because the people of the country will not stand for a budget which locks their future behind doors.

• (1630)

[*Translation*]

Mr. Thomas H. Lefebvre (Pontiac-Gatineau-Labelle): Mr. Speaker, I am pleased to have an opportunity this afternoon to speak in the budget debate. First I wish to congratulate the Minister of Finance (Mr. MacEachen) on his choice of the three important themes that form the basis of his budget: restraint, equity and economic renewal. A number of the budget's provisions, including tax relief for owners of small businesses and farmers who are severely affected by interest rates, are very important to thousands of my constituents. Many low-income families in my riding will benefit from tax reductions as a result of a tax rebate. This special rebate now stands at 9 per cent of income tax, with a minimum of $200 and a maximum of $500. From now on, it will be set at $200 for all taxpayers, while married taxpayers will be able to claim $200 more for their dependent spouse. Since indexing of personal income has been maintained, personal exemptions for a family of four will be raised from $7,230 to $8,110 next year, while the child tax credit will increase from $261 to $293 per child, as a result of indexing and the budget measures.

The average family of four will be able to earn about $15,000 in 1982 without paying income tax to the government of Canada. These measures, and others I shall be mentioning later in my speech, should have a beneficial effect in my riding. I could of course spend my allotted time on subjects of national interest only, but I prefer to use half for these and half for issues that are directly of interest to my constituents. The first half of my speech will concern important issues in my riding. One of these is the increasing involvement of the Department of Regional Economic Expansion in my riding of Pontiac-Gatineau-Labelle. The department's financial contribution will play a very important role in boosting the region's economy. Under the Canada-Quebec subsidiary agreement on development of tourism, the Minister of DREE (Mr. De Bané) suggested to his Quebec counterpart last July that the scope of the agreement could be enlarged to include a new program to support the development of international standard ski resorts, such as Mont Sainte-Marie which is going to be one of the most important resorts of its kind in Canada.

This measure will involve expenditures totalling $13 million, 60 per cent of which is to be paid by the Canadian government and 40 per cent by the government of the province of Quebec. Thus, DREE's contribution under this agreement will be $7.8 million. Mont Sainte-Marie will be the first activity supported under this component of the agreement. The government of Canada is willing to participate financially in developing this fantastic resort location. I fail to understand why the government of Quebec has not yet made its position clear, and in so doing is postponing indefinitely an important project in a region that urgently needs jobs. DREE is also involved in road construction in the region. For instance, construction of the Maniwaki-Témiscamingue highway is being financed 60 per cent by the government of Canada, which is paying $15 million of the total cost of $25 million, while the remaining $10 million is to be paid by the province of Quebec. This permanent highway linking Maniwaki to Témiscamingue is part of the Canada-Quebec subsidiary agreement on forestry development. This access road to forest resources in the area will provide a more rational development of the huge hardwood and softwood lots while promoting tourism.

Under the Canada-Quebec agreement on forest development, another road which will also give access to forest resources and promote tourist development will connect with the Maniwaki-Témiscamingue highway in the Pontiac at Lake Nilgault. The section under construction extends from the Bois-Franc Road at Fort-Coulonge to Lake Jim. According to the agreement signed between the two levels of government and the lumber companies E. B. Eddy and Consolidated Bathurst, 50 per cent of the cost will be paid by the governments and 50 per cent by the companies involved. Under an auxiliary agreement on major roads, expenditures estimated at $36 million are earmarked for the reconstruction of highway 117 from St-Jovite in the Laurentians to Louvincourt in the Abitibi. This highway goes through Mont-Laurier in the north of the Gatineau constituency near Grand-Remous. The federal contribution is $21,600,000 and that of Quebec $14,400,000.

Mr. Speaker, I had suggested some time ago that the Government of Canada sponsor an information day in the Pontiac area of my constituency. The Pontiac Businessmen

Association agreed to sponsor it itself and it was effectively held last March. On that occasion, four federal departments sent representatives to explain their programs and policies to businessmen and others. The Minister of Regional Economic Expansion (Mr. De Bané) attended the closing ceremony of the information day and this was much appreciated by the audience. This event gave rise to substantial achievements, since DREE decided to undertake a study on the economic revival of the Pontiac. This study has now been completed and I am convinced that it will help greatly to find the necessary solutions to promote the rational development of the Pontiac area of this large constituency.

Tomorrow night, Mr. Speaker, together with officials of the Department of Regional Economic Expansion and some Quebec government representatives, I will take part in Campbells Bay in a luncheon sponsored once again by the Pontiac Businessmen Association. I hope that during the discussions that will follow, we will be able to set in motion an action plan for the citizens of Pontiac. Again recently, the representatives of the City of Maniwaki and the Upper Gatineau Development Association appeared before the Subcommittee on Regional Economic Expansion at the hearings it held in Sherbrooke and submitted briefs in which they asked DREE to get involved more directly in the economic revival of the Upper Gatineau Valley. The DREE study group will meet shortly to consider the feasability of sponsoring a study on the economic renewal of the Upper Gatineau Valley. I certainly hope, following the studies carried out in Pontiac and those which are very likely to be carried out in the Upper Gatineau Valley, that DREE will decide to make this a designated area. DREE would thus be able to get involved unilaterally and directly in the economic renewal of this constituency, without having to wait for Quebec's requests which are sometimes very long in coming.

Mr. Speaker, another very interesting program for the constituency is that initiated on November 3 by the Canada Employment and Immigration Commission. The first Local Economic Development Assistance Agency—or ADEL as it is known in Quebec—was officially inaugurated on that day in Maniwaki. This new organization, known as the LEDA Agency of Upper Gatineau, obtained a grant of $250,000 for its first year of operation. Out of this, some $150,000 will be used to stimulate employment, and the remaining $100,000 will pay the costs of technical and administrative assistance to businesses. The financial involvement of the agency in the projects it will receive will be through loans or the purchase of shares, up to a maximum of $25,000 per business. Up to now, only twelve such agencies have been established throughout Canada. The creation of this LEDA Agency in the Upper Gatineau Valley should continue to create new jobs, thereby contributing to the fight against unemployment which is an all-permeating cancer in this region. I hope that in the near future two other areas of the constituency, namely, Pontiac and Labelle, will get LEDA agencies of their own. In order to encourage job creation, the Government of Canada has granted, through the Department of Employment and Immigration, a $99,000 subsidy to the Société coopérative d'action et d'initiative municipale de Notre-Dame-de-Pontmain under a LEAP project. This subsidy has made possible the creation of 5 jobs over a one year period. During this planning stage, the employees of the project will look into the feasibility of setting up a plant for manufacturing chip-wood planks.

Once the planning stage is over and if the study proves that such a project would be profitable and viable, the promoters might be given additional grants to carry it out. Mr. Speaker, over the past five years the government of Canada through the Canadian Mortgage and Housing Corporation, has invested in excess of $11 million to repair, modernize and alter hundreds of houses in the various municipalities of the riding. At least a third of those $11 million were in the form of direct grants and the balance was made up of long term loans at very attractive prime rates. Besides making it possible for the owners of those houses to live in better conditions, the Residential Rehabilitation Assistance Program did create new jobs while at the same time encouraging local building material dealers.

Mr. Speaker, we should note as well the importance of all the other programs implemented by the government of Canada in the housing area, such as the low-rental houses which were built in a number of municipalities in the riding, and financed mostly by the Canadian Mortgage and Housing Corporation, as well as homes for senior citizens, the Neighbourhood Improvement Program in the urban centres of Maniwaki and Mont-Laurier, and the Community Services Contribution Program. Mr. Speaker, the farmers in my riding are among the most active in Canada. Our beef producers rank first in Quebec since they account for more than one third of the total production of the province.

● (1640)

[*English*]

Just recently I had the opportunity to meet here in Ottawa with a representative group of feed lot operators from Pontiac. Also present were officials from the Farm Credit Corporation, the small business secretariat and Agriculture Canada, including an adviser from the minister's office and representatives of two banks. These beef producers explained the reasons they are encountering very grave financial difficulties. The discussion explored ways by which the measures announced in the budget could be quickly implemented in order to help these producers. It was agreed that decisions were needed in the coming weeks in order for measures to be effective.

I support these initiatives and trust that the solutions can be found very quickly.

[*Translation*]

I also had an opportunity to meet the spokesmen for the dairy producers of my riding who told me about their worries concerning the financial difficulties they are facing, as are all Canadians. They are impatiently awaiting the announcement

which the Minister of Agriculture (Mr. Whelan) will be making about the forthcoming dairy year as soon as the special study now under way is received and analysed. Dairy production is a major component of the economy of our area and I echo the wishes of the producers that the policy will be based on hard facts, that it will be a fair policy which will continue to provide producers with an adequate income which will give them a standard of living to match their work load and their productivity. I am pleased to note that in his budget the Minister of Finance kept the farmers in mind, particularly those whose financial situation is rather shaky. They could benefit from special loans from the Farm Credit Corporation whose interest rates are lower by as much as five percentage points, which would bring current rates of 16.75 per cent down to 11.75 per cent. Thus they will henceforth be eligible under the Small Business Development Bond program. Mr. Speaker, ever since the "Petit train du Nord" has been discontinued, some 5,000 electors, mostly in my riding, have made representations and four very specific recommendations which I have been glad to support.

These recommendations were basically as follows: That the railway be maintained and that the freight train remain in operation, that the "little train" occasionally, as for special events, go up to Mont-Laurier, that the opportunity of providing an electric train service in the region be studied, and that the Mont-Laurier station be declared a heritage building. Last Sunday, I also attended a public meeting on that same issue in Mont-Laurier with about a hundred people concerned about the future of the rail service between Montreal and Mont-Laurier. We discussed these four recommendations. During the meeting, I was able to discuss with those people for three or four hours and trade views and ideas with them on this issue.

With respect to urea formaldehyde foam insulation, I am fully aware that this might inconvenience some homeowners of my riding as well as elsewhere in the country, but I agree with the Minister of Consumer and Corporate Affairs that we must await the results of the tests conducted throughout the country so that the action that will be decided upon is based on the recommendations and findings of the commission of inquiry. I hope that the study will be completed as quickly as possible and that the action taken is fair for all concerned.

Another important issue in my riding, Mr. Speaker, is Camp Gatineau. For several years and especially in the last weeks I have spared no effort to avoid the closing of the camp. The camp is located within Gatineau park, on NCC land, and accommodates every year several hundred mentally handicapped people from Quebec, most of whom come from outside the Ottawa Valley. I was quite happy, especially in this international year of the disabled, to hear the Minister of DREE announce that his department was immediately going to approach the Quebec government so that the Camp Gatineau renewal project and the $450,000 required, would be included in the Quebec-Canada subsidiary agreement on tourism development in order to achieve the objectives of this camp for the handicapped.

In view of all the facts that I have so far highlighted in my remarks, you will no doubt have realized by now, Mr. Speaker, that I am speaking for this region. That is indeed the case because I am fully aware of the tremendous efforts made up to now in order to improve the standard of living of my constituents. But increased efforts and considerable help will be needed in order to stimulate the economy of the region and thus encourage job creation and check unemployment which is endemic in this riding. The residents of the area want stable and permanent jobs. They are grateful for the economic benefits as well as for the many temporary jobs created by community development projects, as well as for the services and equipment made available to them. However, with a budget of $1.8 million for this winter, we all know that these are only temporary jobs and these people are concerned about the future because they hope to find permanent jobs in the area, particularly in the riding of Pontiac-Papineau-Labelle, in order to stop the flow of people leaving for more promising areas.

[*English*]

I would now like to speak as the former chairman of the Special Committee on Alternative Energy and Oil Substitution which was established on May 23, 1980. I am pleased that the budget contains measures dealing with energy. This seven-man, all-party special committee was given a mandate to explore and report upon new energy sources, technologies and fuels of potential interest to Canada, with particular regard to the technical and economic feasibility of their introduction. One year of intensive study and research was needed before the committee was able to arrive at conclusions and make its recommendations.

On the basis of the array of information, opinion and first-hand observation, the committee tabled a remarkable document containing 65 specific recommendations. The report looks ahead 50 years and foresees a fundamentally altered energy system in Canada.

[*Translation*]

Hydro-electric generation will continue to increase until our whole hydraulic potential has been nearly exhausted, probably early in the forthcoming century. The committee has found low-heads of water of growing interest and, in particular, small generating stations; it would appear that the technology involved is also ready to be exported. Considering Canada's conventional energy infrastructure and its evolution, how can alternative energy sources which seem so promising be integrated into it? The solution becomes more obvious when one turns the question around and looks at the energy markets in need of supplies. From that point of view, the advantages of hydrogen as a fuel or energy currency become obvious.

[*English*]

In line with one of the recommendations contained in the report, the Minister of Energy, Mines and Resources (Mr.

Lalonde) announced in July that the federal government will increase funds for energy research and development by $35 million. The increased funds will provide more technical support for the following policy priorities which were established in the National Energy Program: developing new liquid fuel alternatives to gasoline; increasing the efficiency of energy use in all sectors of the economy; developing environmentally acceptable alternatives to oil and gas; and ensuring the continuing development of conventional energy for the benefit of all Canadians.

[*Translation*]

The study made by the committee has enabled us to discover that converting our conventional energy infrastructure is quite a challenge especially because of its magnitude, its complexity and the massive investments it involves. If we are aiming at such a restructuring, then, according to the committee, the hard facts of life will have to be faced. We shall have to put our resources to other uses, provoking in all likelihood the protests of the affected sectors of industry. We shall have to expect new attitudes and new technologies, both of which will require considerable time. The public will have to recognize the need to change and adapt to new energy systems. In addition, as the elected representatives of the people usually know very little about technology, one wonders who in fact will advocate the change. Finally, it is becoming increasingly difficult to make radical decisions in today's society.

● (1650)

[*English*]

The members also considered it essential to formulate their recommendations in view of a guiding philosophy. Consequently the report lays out principles or concerns which the committee felt very strongly should form the foundation for domestic energy planning. These policy elements are energy conservation, progressively greater reliance on sustainable energy sources, minimal environmental disruption, greater diversity in Canada's energy mix, recognition of regional differences in energy resources and requirements, acknowledgment of strategic concerns, and consideration of the social implications of altering our nation's energy system.

[*Translation*]

At first glance, one might wonder at finding conservation under the heading "Alternative Energy Sources, Currencies and Technologies". But the committee was drawn to the conclusion that conservation should be looked upon as a source of energy, and an important one at that for Canada, especially because we have never been particularly concerned about energy efficiency in the past. Energy has always come cheap in Canada and that explains why our economy has evolved in such a way that we now use more energy per dollar of gross national product than any other industrialized country in the world. Paradoxically, this means that while our wasteful consumer habits of the past might have been regrettable, we now have a major energy source available because of conservation, which source can be used more easily and more economically than any other existing resource. By reducing demand, we increase the relative value of existing energy supplies. Many witnesses who appeared before the committee stated that conservation should be the starting point of any alternative energy strategy, and we fully agree. We can view conservation as a reduced utilization of a resource in the short term to have more available in the long term.

The members of the committee would like all housing financed by the Canadian government to be built in accordance with conservation principles and to use passive solar heating to show the benefits of such systems. Energy performance standards should be incorporated into the National Building Code to promote innovation and conservation in building concepts. Both commercial and residential buildings should make use of lighting systems which do not waste electricity. Mr. Speaker, as those who spoke before me, I shall conclude my comments in a few moments so that other members can have an opportunity to speak as the debate will end this evening. In closing, I would simply like to say that I shall come back to the issue of new and renewable energy sources in the future. I think that the committee has tabled a very important report. The Minister of Energy, Mines and Resources (Mr. Lalonde) has already announced several initiatives based on our recommendations and I am convinced that there will be more in the future. I think that this report can be very important for our energy future in Canada because its recommendations can not only help Canada to become self-sufficient in oil supplies, but will also contribute to the creation of thousands of jobs in Canada in export industries thanks to new technologies developed in this country. Mr. Speaker, I believe that during these few minutes, I have been able to outline vitally important issues for the future of my constituents and for the energy future of Canada in general.

Hon. Roch La Salle (Joliette): Mr. Speaker, I wish to thank you for giving me this opportunity to comment on a budget that many people have described as inadequate under the present circumstances, both as it affects my province and as it affects the entire country.

This evening we are being asked to support a budget that should normally be in tune with the present economic conditions. We are being asked to support a document that is absolutely devastating for the entire Canadian economy, a document that is totally unacceptable, and that, according to thousands of Canadians, will leave Canada in an economic quagmire. I feel it is also important to point out that in other speeches I have heard, especially from the government benches, the minister has been approached with a number of suggestions, a fact that in itself should be ample proof of the inadequacy of this budget vis-à-vis the problems facing the people in their ridings.

• (1700)

It is also interesting to note, Mr. Speaker, and I think Canadians will realize this in the medium term and I hope even sooner, that the budgets we have had in the last fifteen years have been remarkable for their ineptness and that they have been unable to provide a sufficient stimulus to the Canadian economy. And going back a little over the past fifteen years, we realize that things are going from bad to worse, and that despite the projections our Ministers of Finance have given us over the last fifteen years, no solution has been found, nor has it been possible to realize this famous equity which the present Minister of Finance (Mr. MacEachen) has said he would make a reality. My colleague from Rosedale (Mr. Crombie) proved earlier that the commitments made by the Minister of Finance and his concept of equity, as presented in the budget, will be impossible to realize. In his speech, the member for Rosedale proved time and time again that the budget is unfair to thousands of Canadians. In my riding, as in the rest of Canada, Mr. Speaker, farmers and workers are very concerned.

From what has been said by members from every part of Canada, it is clear that the Canadian people are anxious, they are concerned and cannot be sure what the future holds in store, and they will certainly find no reassurances in the measures contained in this budget, and, quite frankly and objectively, these measures are certainly not going to set the minister and his government the confidence he is seeking from the House. I know perfectly well, Mr. Speaker, that the members on the government benches will have to support the budget, with probably more reservations than ever before. Those members are well aware that farmers are not getting what they need from this budget, that workers did not get what they were seeking, that homeowners will have to wait and spend another winter in an untenable position, that tenants will not get what they were promised and so on for thousands of Canadians. The members on the government benches are very familiar with the reactions of the business world and various organizations and sectors. But the system being what it is, they will have to support the Minister of Finance and hope and pray.

Earlier, I heard some comments from hon. members who were quite rightly seeking from the minister a number of corrective measures to remedy the omission or absence of adequate measures in the budget. Figures have been given and statistics have been put before the House, but the fact remains that the Canadian people not only have a right to be concerned, they will also have to remain in a limbo of uncertainty as a result of a totally inadequate budget. During question period the minister will try, as he has on other occasions, to make Canadians believe that with his budget cuts, Canada will get back on the road to prosperity, and that is just not true! I feel that Canadians are at least entitled to know the truth. The situation is alarming, and the economic policies that have been presented by the present government during the last fifteen years have brought Canada to the brink of bankruptcy. Members opposite will consider this an exaggeration, but this is the situation which we are now facing, and thousands of Canadians, thousands of unemployed, are concerned about the absence of appropriate action.

Some will ask me if I have the solution myself. Since Canada has been left to drift for so long, it is of course impossible to find a miraculous solution in 24 hours. This would be unthinkable and it is impossible to correct such a situation immediately, but it is important for Canadians to recognize that it is this Liberal government which is responsible for that kind of brinkmanship. This is the situation. Mr. Speaker, no government member and no minister can assure Canadians that the situation will improve in the short term. This situation has been brought about by the marked incompetence of past ministers of finance and the members who have supported them in the last 15 years.

I am thinking especially about the farmers and the homeowners. The absence of appropriate action in the areas of housing and the building industry has created the dilemna now facing the country. The minister responsible for housing has demonstrated that he can no longer cope. He was unable to convince the Minister of Finance to provide sufficient funds to meet the demand. Because of this, the budget does not promote recovery of the building industry, which has been frozen for 18 months, or nearly two years, creating unemployment and putting Canadians in a terrible situation. The budget does not meet housing needs, and every member of the House realizes it.

Mr. Peterson: Untrue!

Mr. La Salle: They say that it is untrue. It is incredible, Mr. Speaker! The budget does not meet our needs and those who want to be honest will have to recognize it. This lack of policy in the field of construction and housing has been costly for Canadians. And I could say the same about agriculture. Nearly every member has met with farmers from my constituency and elsewhere and representatives of the Canadian Federation of Agriculture, the UPA in Quebec, and so on recently. Farmers are very concerned about the lack of action of the government and the minister concerning dairy policies, for instance. The minister has not applied the indexing formula to dairy producers, which he should normally have done in August. The minister has not announced his five-year plan as he was supposed to do last April, and the Minister of Finance has not provided the necessary funds for the Farm Credit Corporation. Moreover, dairy producers still do not know what to expect and they fear that the subsidies on dairy products will be abolished or reduced.

I think that all the members of this House whose constituency includes dairy producers want the minister to announce his policies as soon as possible, before January 1. I hope that he

will do so and I take this opportunity to appeal to the Minister of Agriculture, who is responsible for a very important industry, at least in my province and also in Ontario, since the dairy industry is centralized in those two provinces. I believe that it is important for the Minister of Agriculture to make these announcements as soon as possible, to ensure dairy producers that the subsidies will be maintained and to apply the indexing formula based on production costs.

• (1710)

Moreover, as farmers already have told the Minister of Finance, this budget does not respond to the financial needs of the farming community, and this scarcity of funds may force our agriculture into stagnation as it did with the construction industry, a tremendously important industry, and this in turn will mean increased unemployment. The budget does not provide for these two areas, absolutely not, and this is affecting thousands of Canadians because there is no resumption of activity in the building industry and a lack of funds to maintain and promote agriculture.

An hon. member referred earlier to the victims of urea-formaldehyde foam insulation. The government has remained absolutely mute on this. They felt that there was no need to provide funds to help those victims, and this is serious in my view. We are aware that thousands of Canadians are faced with that problem. We are aware that thousands of homeowners have problems not only with their mortgage costs but also with toxic foam insulation. The government or the responsible minister have not yet seen fit to recommend a special fund to help the victims clean up those homes, at a cost of thousands of dollars. I know perfectly well that the government, aware of the scope of that problem, does not dare get involved because this will prove too costly. Can you imagine leaving the whole burden with the home owners? The minister involved suggests that when the review is completed, he will see to it that the people responsible pay the costs.

It seems to me that if the minister had any sense of responsibility, he would accept recommending to Treasury Board that a special fund be established to help the victims. After such an investigation, it will be much easier for the government to recoup the expenses from the responsible parties. For the time being the government, through the Minister of Consumer and Corporate Affairs (Mr. Ouellet) denies any responsibility in the matter. Let the investigation follow its course. But what if the government is responsible? Government actions lead us to wonder about its own responsibility. Anyway, it has a moral obligation because this is a social problem, and I submit that the government should now help the victims with something more than a promise of an investigation or of certain services.

I would also like to refer briefly to the amazing discovery made by the Minister of Finance. All of a sudden, the Minister of Finance, in his budget, has mentioned loopholes. He was going to recoup thousands of dollars, if not millions, from those loopholes. Big joke, Mr. Speaker! Because those provisions, those loopholes were developed and provided for by the same government. These so-called tax incentives were designed to stimulate the Canadian economy. That selfsame government had allowed some Canadians tax relief in conjunction with the purchase of goods and services and in other ways. But what that government had considered as incentives for years, the minister now sees in a different light. All of a sudden he says: I have made the discovery of the century. I shall recover billions of tax dollars and sneakily trap the Canadian to whom those advantages were offered. Because in fact Canadians had been encouraged to avail themselves of those loopholes. Today, these are plugged up without notice. We know hundreds of Canadians will have problems as a result of that radical step.

I have no quarrel with changing tax measures occasionally, it has to be done. But let no one have me believe that suddenly the minister grows vigilant when taking away what Canadians were granted a few years earlier. And above all, let no one claim that those Canadians were bad citizens because they availed themselves of those loopholes. Those people have never intended to cheat Revenue Canada, not at all! They simply used what measures the government had made available which, I say it again, were considered as relief and incentives. The government may have had a change of heart because of circumstances. Still, I wish it had kept its word and honoured its long-term commitments which benefit many Canadians, even if it did have to put an end to them in due course. I think it is nothing but sheer hypocrisy, Mr. Speaker, and certainly no proof of outstanding quality, when the Minister of Finance gives the impression that he has found something really exceptional.

Two or three times, and perhaps more, I heard my colleagues from Quebec mention the difficulties which our industries in Quebec and Canada are facing, and the best example I can give is that I heard the hon. member for Richmond-Wolfe (Mr. Tardif) and the hon. member for Sherbrooke (Mr. Pelletier) say this afternoon that they regretted and deplored the decision taken by the Minister of Industry, Trade and Commerce (Mr. Gray) with respect to a particular industry in their regions. Well, I have one at home and it is the footwear industry.

Those members who sit on the government side have been down on their knees over the past few days and again this afternoon urging the minister to pay special attention to the footwear industry. That makes sense because it is now obvious that the measures announced by the Minister of Industry, Trade and Commerce fall far short of the mark. Just as I did not so long ago during question period, they acknowledged that we have already lost 4,000 jobs in that sector since 1981 and that the corrective steps or measures announced by the minister just will not solve the problem. So now the Minister of Industry, Trade and Commerce is being urged to reconsider those measures. I therefore hope that all hon. members, particularly our colleagues on the government side, will convince him that the situation has to be reviewed.

As can be seen in the industry and elsewhere, Mr. Speaker, the budget measures are not quite the remedy required in this case. This is where we have to make a choice when a measure

is introduced, and we can certainly not congratulate the Minister of Finance when we known full well that practically every day those small and medium-sized businesses have to shut down. Of course, the government will say that it has created thousands of jobs over the past five, ten or fifteen years. The fact remains that 15 years ago we had 300,000 idle workers in this country whereas we now have over one million. Something is amiss. During that period, the country was run almost entirely by the same party. I think the citizens of this country have a right to question the ability of this government and to deny it its confidence. Members on this side of the House obviously cannot put their confidence in a government which shows such blatant incompetence and which has failed once again to bring down a budget likely to restore confidence and reassure the Canadian people. I hope that when the budget bills are introduced in the House a majority of members will be able to bring the government back to reason and force it, by way of legislation, to improve the proposals made, which, in our opinion, are simply not good enough.

Finally, and I will end on this note, I cannot forget the confidence that the voters of Joliette recently put in me when I asked them to tell the government that it had failed with regard to interest rates, the fight against inflation and also with respect to energy costs, in particular the cost of gas. I will not go back to the constitutional vision, as we have just passed a resolution on that. Last August 17, Mr. Speaker, the riding of Joliette, through thousands of voters, asked me to give the government the message that the people were dissatisfied, that they could no longer tolerate the lack of adequate measures with regard to the present economic situation. It is clear, even though the government does not want to admit it to the people, that we are facing very hard months ahead. It is clear that the budget will not correct nor reverse the trend. It is also clear that unemployment will increase in the next few months. I may be accused of being pessimistic, but I think it is important for the people of Canada to realize that this government is incapable of the economic leadership required to remedy the situation.

Considering, as I say, that unemployment will increase and that the economic situation will only worsen, I can only hope that in the short term we will take the opportunity to show the government our disapproval of the blatant incompetence it has shown during the last decade. That is it. I will give others the opportunity to take part in this debate, but I want to assure you, Mr. Speaker, that on behalf of all my constituents and of thousands of Canadians, I do not intend to support this budget and pretend that we can have confidence in a government that has been deceiving us for so long with measures that are inadequate and incapable of improving the present situation.

• (1720)

[*English*]

Mr. Bill Blaikie (Winnipeg-Birds Hill): Mr. Speaker, budgets such as the one presented on November 12 by the Minister of Finance (Mr. MacEachen) are quite complicated documents and deserve thoughtful attention. This is particularly true of some of those aspects of the budget which are not easily understood and which are not readily identifiable as affecting the immediate self-interests of individuals or groups but which, nevertheless, have a great impact on the lives of all Canadians.

A good example of such an area of concern, to which there is devoted a separate document in the budget papers, is the area of federal-provincial fiscal arrangements, a subject I hope I will be able to reflect upon usefully in the next thirty minutes in the context of the proposals of the Liberal government. It is a concern which I hope will command some attention, as I look at an empty press gallery, even though it must compete with such highlights as inadequate mortgage legislation, the dogmatic monetarism of the Liberal Party, tax changes supposedy for the sake of equity which hurt the middle class but leave the rich unscathed, and the shameless retreat of the Liberal Party from the pursuit of controlling our own economy.

Nevertheless, the two aspects of federal-provincial fiscal arrangements which I wish to address today are established programs financing and the cuts which the government proposes in these transfer payments to the provinces and equalization payments, or the equalization formula, and the proposal of the Liberal government to use Ontario as the standard to which all other provinces will be equalized.

I feel much more qualified to comment on these matters than I would have prior to last spring, at which time I had the opportunity of being the New Democratic Member of Parliament on the seven-person, all-party special parliamentary task force on federal-provincial fiscal arrangments which released the report entitled "Fiscal Federalism in Canada" on August 30. As a task force we visited all ten provincial capitals as well as the capitals in the territories, in addition to three weeks of public hearings here in Ottawa. It was a tremendous learning experience for me about Canada, about federalism and about what has been called the nuts and bolts of Canadian federalism, the fiscal arrangements which provide for the existence of many programs and services which Canadians take for granted.

However, at the end of a long and sometimes difficult process the task force produced a unanimous report, and later I hope I shall have cause to refer to some of the recommendations in our report.

The established programs financing, hereinafter in my speech referred to as EPF, is that part of federal-provincial fiscal arrangements which provides federal funding to the provinces in the form of block funding for those services which come under the Hospital Insurance and Diagnostic Services Act, the Medical Care Act and federal support for post-secondary education.

In 1977 health and post-secondary education shared cost programs were integrated in a block-funding arrangement between the federal government and the provinces. The purpose of this significant change was twofold. It was to provide the federal government with more fiscal predictability than it had under previous arrangements wherein its spending was directly related to provincial spending, and in the same way

the new arrangements were to act as a ceiling for the federal government, which was a form of restraint. I think it is important to note that the restraint began back in 1977, not in 1981.

There were also a number of benefits for the provincial governments in the new arrangement in 1977. They would not have to spend a dollar in order to get a dollar from the federal government, as they did under the shared cost programs, thus giving them more incentive to reduce costs. And with block funding they would be freer to innovate, unencumbered by the task of having to meet federal cost sharing criteria, a task which sometimes distorted provincial priorities. If they could receive cost sharing for the provision of acute care beds and not for chronic care beds, they tended to provide more acute care beds and neglect the need for chronic care beds. That is just an example of what I mean by distorting provincial priorities.

The block funding arrangement for health care and post-secondary education has received much criticism since 1977. Basically these criticisms have focused on the fact that the percentage of provincial spending on health care and post-secondary education has gone down significantly since 1977, with a corresponding decrease in the quality and availability of these services. Unfortunately, most provinces did not seize the opportunity to be creative in the new arrangement. Instead, they used their newfound spending autonomy to save money at the expense of the programs by allowing the guaranteed federal moneys to form a larger and larger percentage of spending in these areas. To a certain extent this is what they were supposed to do, according to the self-understanding of the 1977 EPF arrangements or agreements.

Again, unfortunately, most provinces went overboard, combining their new fiscal autonomy with the ideological zeal we witnessed in the late seventies on the part, mostly, of Progressive Conservative provincial governments, for cutbacks in government spending as the panacea for all our problems. It is, of course, a delusion which is still alive and well and seems recently to have been adopted by the Liberal government; but the point I wish to make is that EPF block funding never really had an opportunity to show its potential strength because its first five years coincided with this other historical and political phenomena. At this point we do not know, and cannot know as yet, whether the block funding could succeed in having the creative as well as the limiting effects it was supposed to have.

In any case, over the last few years there have been great arguments between federal and provincial governments about their respective contributions to health care and post-secondary education. The federal government has made much of its increasing percentage spending in this area and expressed increasing concern about cutbacks in health care and policies which seemed to retreat from, rather than advance toward, the perfection of medicare as a universal health care program available to rich and poor alike. Provinces argued, on the other hand, that the federal government was being self-righteous, that the provinces were only doing what they were expected to do under the 1977 agreement and that, furthermore, the EPF money was not as earmarked as the federal government claimed it was. For instance, the provinces argued that the federal division of the EPF program money into two thirds for health care and one third for post-secondary education was arbitrary. Furthermore, in 1977 there was money in the EPF package which had been included in the package as compensation for the termination of an old agreement called the revenue guarantee. The money attributable to the revenue guarantee was particularly unconditional, argued the provinces. It was unfair, they claimed, for the federal government to use this money in the calculation of its spending on health care and post-secondary education relative to the provinces' contributions.

● (1730)

The provinces should have known that they might come to regret this line of argument, as I am sure they now do. The federal government has now adopted their arguments and the provinces are left to ponder the wisdom of their former pronouncements.

In his proposals for fiscal arrangements in the 1980s, the Minister of Finance proposes to cut federal transfer payments to the provinces by an amount equal to that attributable to the revenue guarantee in the EPF block fund, a reduction of some $5.7 billion over five years. The Minister of Finance argues two things in this respect. He argues that, after all, the revenue guarantee was not earmarked for health care and post-secondary education; thus adopting a version of things, in my view, which goes against the theory and against the statistics this government has been using for five years. The Minister of Finance also argues, knowing the frailty of his first argument and feeling guilty about it, that a good portion of this loss to the provinces will be made up by increased revenues to the provinces as a result of tax changes in the budget, leaving the provinces with only about a $2 billion loss over five years, provided that the government's economic forecast, not known for their accuracy, are actually accurate and not overly optimistic. Even according to the figures used by the Minister of Finance, a province such as my own province, Manitoba, would come out $75 million short at the end of the next five year fiscal arrangement. This is not an insignificant amount of money when one considers a have not province such as Manitoba.

The debate over fiscal arrangements is not a matter of siding with either the federal government or the provinces. This is something that I, as a member of the opposition, feel one should not get into. It is just not that simple, as I have tried to show. There are aspects of the fiscal arrangements that I do not even have the time to go into this afternoon. I submit to you, Mr. Speaker, that both sides have been less than honest in the way they have presented the problem to the public.

The only side that I feel obliged to come down on is the side of the programs themselves and the people of Canada who look to health care and post-secondary education as established programs for the healing and for the teaching of Canadians that no inter-governmental dispute should be able to threaten.

In this respect, I now call on the federal government to recall its proposed cutbacks for three reasons. The first reason is that there is no need for them in the first place. The federal government is anticipating new revenues as a result of the energy agreement, and besides, these programs have not been the cause of the deficit. They have not grown out of proportion to government spending as a whole. These programs cannot be blamed for the deficit. The federal government could also, if it wanted to make up the amounts of money that it proposes to save through the cancellation of the revenue guarantee, raise new moneys through the closing of corporate tax loopholes, the ones they left unclosed in this budget while slamming middle-income working people. And the federal percentage of spending in health care and post-secondary education will decrease even if the present arrangements were to continue, because the federal contribution is tied to the economy, while the provincial contribution is tied to inflation. Even if things were to continue as they are now, the federal contribution to these programs would decrease further. The Minister of Finance should be well satisfied if he could convince the provinces to continue the existing arrangements.

The second reason that I appeal to the Minister of Finance to recall his cutbacks is that if he is serious about having the Minister of National Health and Welfare (Miss Bégin) negotiate the clarification and enforcement of national standards for medicare, such as the banning of extra billing by physicians, the discontinuance of user fees and, even the abolition of premiums, the Minister of Finance must not then be trying to take money off the table at the same time as the Minister of National Health and Welfare is trying to put more expensive standards on the table.

The third reason that I call on the minister to recall the proposed cutbacks is that there will be some provinces that will, quite beyond whatever legitimate anger they may express at the federal proposals, use the cutbacks to justify further cutbacks in their own commitment to these programs, while blaming the federal government.

Like it or not, Mr. Speaker, there are Progressive Conservative provincial governments in this country that still resent the existence of medicare. I say this with regret. I am not making a partisan speech when I say this. This is a political and philosophical fact, and the governments of Alberta, Ontario, and others of the same ilk should not, in the name of comprehensive federal restraint, be carelessly adding fuel to the fires they would like to set under Canada's medicare system. That is what the Minister of Finance is now doing with these cutbacks. These Progressive Conservative governments, along with the paranoid, red-necked, intellectually impoverished leadership of the Canadian Medical Association, who do great disservice to all the doctors I have ever known, pose the greatest danger to medicare. Together they represent that group of people who have not been able to put their ideological hobby horses aside and accept the will of the Canadian people that there be a publicly-funded health care system in Canada second to none in the world.

I call on the provinces not to compound the stress they have already placed on these programs by cutting back even more than they have already. The federal response to provincial restraint, it seems, has been cutbacks of their own. To that I say that two wrongs do not make a right. If the provincial response to these cutbacks is more cutbacks, then I can only say that three wrongs do not make a right.

Earlier I referred to the Government of Ontario as being, among others, dangerous to the future wellbeing of medicare, and to Ontario, for that matter. If there was ever any doubt about this, it was completely erased last week when the health minister of that province announced new hospital policies that would have the effect of making fewer beds available to Canadians without private health insurance. The privatization of health care in Ontario is well under way. The Frank Millers and Dennis Timbrells can hardly contain their obscene delight that this is finally going on. They did not like medicare in the first place. They did not have the guts to levy the corporate taxes that would have paid for medicare, even when they grudgingly accepted it, and now they are perversely pleased when economic perceptions, to which the Minister of Finance is carelessly contributing with his cutbacks, give them the pretext for further dismantling of publicly funded health care in Ontario where medicare has always had only a tenuous foothold.

Ontario is one of the three provinces—and I probably do not have to remind members—and the others are Alberta and B.C., where medicare premiums are still paid, a form of paying for medicare which the all-party task force on federal-provincial fiscal arrangements found to be regressive and regrettable.

• (1740)

The state of medicare in Ontario brings me to the second topic with which I should like to deal today—the proposals of the Minister of Finance concerning equalization.

The new equalization plan whereby Ontario will become the standard to which have-not provinces are equalized is a very dangerous proposal in my view. Economically, if it is true that Ontario is becoming a have-not province, then other have-not provinces are tied to a sinking ship. From another standpoint, using Ontario's taxation and public services policies as a national model is dangerous indeed. Ontario's taxation and social policies are not value neutral but represent the accumulated values and decisions of decades of Conservative government. To suggest that this is the national average or the national model is an affront to all those who seek improvements and shows ignorance of the extent to which all such policies are formed by philosophical choices. For instance, as I have already indicated, Ontario drastically undertaxes its resource sector and wants to privatize health care. Is this the standard to which all provinces should be equalized? I think not. In fact, I find the whole idea repulsive in the extreme for reasons of both practice and principle, as I have said. Besides, this proposal of the government vis-à-vis making Ontario the model for equalization goes against the recommendation of the

Task Force on Federal-Provincial Fiscal Arrangements that the new equalization formula not discriminate against any one province. The proposed formula discriminates against Ontario by definition and is therefore theoretically suspect on the basis of this recommendation alone. A new equalization formula will no doubt have to be found. I am well aware of the problems which exist with the old one. It will not be easy, but equalization is an important aspect of Canadian history, of Canadian federalism and of our new Constitution. Equalization payments to the provinces are entrenched in the new Constitution, but making the entrenched conservatism of Ontario the standard to which, hopefully, more enlightened parts of the country must conform would indeed be a mistake.

In this respect I should like to respond to the remarks made in the House by the hon. member for Gloucester (Mr. Breau) who was chairman of the special task force on federal-provincial fiscal arrangements. In his speech on November 13 he stated:

> In fact, it can be said that basically the federal proposals are in line with our recommendations.

I think this statement by the hon. member for Gloucester, the chairman of the task force on which I sat, is highly debatable. The hon. member was a good chairman. He helped produce a report which recommended against any cutbacks in federal support to health care and post-secondary education. It was a report which I believe went far in stopping the more draconian measures brewing on the back burner of the mysterious mind of the Minister of Finance. The hon. member for Gloucester shoud not now blur the glimpse we have had of him as an independent spirit by pretending that the government followed the recommendations of the task force. The task force indicated:

> By virtue of the federal government's own internal allocation, all fiscal transfers associated with the revenue guarantee must now be considered part of the health care and post-secondary education package, and should therefore be allocated, in the renewed EPF arrangements, to health and/or post-secondary education in proportions to be negotiated.

How does the hon. member for Gloucester square that recommendation with the fact that the budget says the revenue guarantee was never allocated the way the task force obviously said it was, and that, furthermore, this budget proposes cutbacks against which the task force recommended and proposes to cut money the task force indicated must be seen to be part of the health care and post-secondary education package? People who have read the report entitled "Fiscal Federalism in Canada" and people who have read the budget document presented by the Minister of Finance entitled "Federal-Provincial Fiscal Arrangements in the 80s" will not be tricked by the facile optimism of the hon. member for Gloucester.

Although I have dealt primarily with fiscal arrangements, I should like to wind up by calling on the Minister of Finance to respond in a general way to the almost unanimous condemnation of his budget by Canadians, whether they be home owners, tenants, workers, small businessmen or farmers. I want him to respond to the unanimous condemnation of the budget and to announce soon some significant changes in the budget which will be sensitive to the condemnation the budget has received. He has indicated that he might consider some actions. Every once in a while we get a glimpse of reflection that perhaps he is actually thinking something over. I want to second the call of my leader, the hon. member for Oshawa (Mr. Broadbent), for an immediate excess profits tax on the banks, a measure which could raise some $700 million right away, making money available for housing, interest rate relief, job creation and many of the things left undone in the budget as it stands now. An excess profits tax on banks would still leave banks at the profit rate level they had last year, which was already too high and would make the average corporation green with envy.

I support the criticisms of all those who have pointed to the way in which the budget, rather than being fair and equitable, is actually an attack on the hard-earned savings and retirement plans of many average Canadians. The loopholes closed by the government have been selective indeed, but the government selected the wrong people in most instances.

The budget deserves all the criticism it gets. I look forward, along with other members of the New Democratic Party caucus, to Committee of the Whole House wherein we will get a chance to tear it to shreds.

[*Translation*]

Mrs. Céline Hervieux-Payette (Parliamentary Secretary to Solicitor General): Mr. Speaker, it is my pleasure to add a few comments to those of my colleagues about the budget which was presented on November 12 by the Minister of Finance (Mr. MacEachen). This afternoon, the hon. member for Joliette (Mr. La Salle) asked if anyone could reassure Canadians with respect to this budget. I believe, Mr. Speaker, that I am better qualified than he, at any rate, to do so. The fact is that when the hon. member for Joliette was sitting on the government side, the then Minister of Finance had tabled such a budget that they were voted out.

There is no doubt, Mr. Speaker, that that budget had a disastrous impact on the hon. member for Joliette, because at that time, such regressive measures as an 18-cent tax on gasoline brought the downfall of the previous government, and why was that, Mr. Speaker? They have been talking for a few days now about the bad housing situation in Canada. They conveniently forget that when they were in power, they had proposed doing away with no less than the Canada Mortgage and Housing Corporation, Mr. Speaker, a basic agency which is responsible for monitoring the housing situation in Canada. Right now, our economic growth is not as rapid as in the early seventies, and most economists agree on that point, but it is a long way from justifying the hon. member's pessimism . . . Not only has the Liberal government relied on the Canada Mortgage and Housing Corporation, but the present budget has included a program which will bring 15,000 more units and a subsidy of $7,500 per rental unit with an interest-free loan, and, according to existing programs, 25,000 units, already provided for by the CMHC, within the co-operative housing and non profit rental accommodation programs, will be made

available. So, we can see, Mr. Speaker, that 40,000 housing units will be ready for occupancy. I think those policies will meet the needs of the Quebec people and that the building industry in that province will avail itself of those measures.

• (1750)

Single family home owners, as far as the Montreal-Mercier riding is concerned, are in some cases experiencing difficulties and I hope the program put forward by the minister concerned, will be of assistance to them. Any home owner who has to invest more than 30 per cent of his income on housing, will qualify for a special interest rate on his mortgage. Needless to say, Mr. Speaker, most of the people in my constituency are not home owners and as their representative I shall oppose a universal financing program for mortgage loans which would bring down the present interest rate of approximately 18 per cent down to 13.14 or 12 per cent, as it used to be, because in so doing we would have to take one billion dollars or more out of the taxpayers' pockets. I think that no responsible government can present a balanced, non inflationary budget and at the same time include additional taxes to pay for the mortgages of home owners. However, I am well aware of the problems and I urge the people of my constituency to contact the department. A special service has been set up to help them if the burden of the debt were to become overpowering. Among the positive aspects of this budget, let us mention the $210 tax reduction that on the average 12,000,000 taxpayers will be granted. It is almost wizardry, nowadays, to get a budget which cuts on taxes. Yet not only does the budget allow tax cuts but more than 3.2 billion dollars will find their way back into the taxpayers' pockets through income tax indexing. This means Canadians will not be penalized by inflation since taxation will be adjusted as it was in the past. Evidently our opposition friends a few weeks before the budget was tabled, raised the spectre of the elimination of indexation and today forget to mention the important fact that Canadian taxpayers will not have to pay those additional 3.2 billion dollars.

And for the Quebec people, Mr. Speaker, it is even more important, because for years the so-called soicialist, or social democratic government of Quebec has been talking about full indexation of income tax rolls but has never implemented it. On the other hand, this Liberal government that I am proud to work with, keeps maintaining this indexation which means so much to the workers of the Montreal-Mercier constituency.

Other major programs have been not only retained but indexed, Mr. Speaker. For example, mothers in my riding can still benefit from the child endowment which is indexed on a three-month basis. A tax credit for their children will go up from $261 per child to $293 per child. Old age security pensions, which were increased in the last budget by $35 besides indexation, will continue to be indexed.

And another good piece of news for the Quebec workers: Each worker's contribution to the unemployment insurance will decrease from $1.80 to $1.65 while the employer's contribution will be reduced to $2.31.

Mr. Speaker, this budget reflects the Liberal philosophy, maintaining as it does the socially oriented programs which account for a large share of the federal budgetary envelope, and yet they will enable each family in Quebec to maintain a style and quality of life which all of us ought to be proud of. I suggest as well that the low-income families will be glad to learn that the $200 family deduction will be raised to $400—a 100 per cent increase. That increase is on top of all the other advantages that the average taxpayer in the province of Quebec will gain from this budget. On the other hand, Mr. Speaker, a lot has been said in Quebec about fiscal arrangements. The finance minister has been very loquacious on that subject, somewhat less about his own taxes and slightly more about the contributions of that same federal government whose existence he denies. However, he forgets to mention that under the fiscal arrangements, over the next five years Quebec will benefit from an average annual increase of about 12.9 per cent. And then they often forget—and that makes me laugh a little, Mr. Speaker—that the so-called progressive university circles dismiss rather easily the contribution made by the federal government to their own budgets. Indeed, at the present time roughly 58 per cent of the funds budgeted by Quebec universities come from the federal government.

While, Mr. Speaker, there is reason to rejoice in the federal government's contributions to these programs, we must also ask ourselves how these programs are being administered by our province. In fact, Mr. Speaker, what is Quebec's record in this respect? As far as health insurance is concerned, any profits or benefits as a result of good administration of the program are transferred to the public treasury without benefit to the program itself, and as far as hospital insurance is concerned, although the federal government contributes to the program, under the Constitution hospital administration is a provincial responsibility, and the provincial government is not a good administrator. It has been making budget cuts every year and reducing the quality and especially the volume of care provided in Quebec. Where does Canada stand, Mr. Speaker, as far as per capita income is concerned compared with the rest of the world? A report by the *Tribune* magazine in one of the—

The Acting Speaker (Mr. Ethier): Order. I am sorry to have to interrupt the hon. member, but it being six o'clock, I do now leave the chair until eight o'clock.

At 6 p.m. the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

[*English*]

The Acting Speaker (Mr. Ethier): Order, please. When the House rose at six o'clock, the hon. Parliamentary Secretary to the Solicitor General (Mrs. Hervieux-Payette) had the floor.

[*Translation*]

Mrs. Hervieux-Payette: Mr. Speaker, when the House rose, I was about to quote figures from the 1981 *World Almanac* to show how Canadians rank on per capita income. According to my tables, Canada is fourth in the world out of 150 countries and Canadians have an average per capita income of $7,572. West Germany, the United States and France come, respectively, first, second and third.

Mr. Speaker, I think we can be proud of these statistics. However, in its November 14, 1981 issue, *The Economist* says that one of the problems facing Canada today and which this budget has had to face as well is inflation. I think that my constituents realize that massive budgetary spending might have increased inflationary pressures. Our colleagues opposite, of course, advocate sound conservative principles when they speak outside the House, but here they call for further spending, forgetting that the inflation rate during the last quarter has reached 12.5 per cent. But what does a 12.5 per cent inflation rate means when in the United States the rate is 11 per cent, in the Federal Republic of Germany, 7 per cent, and in the Netherlands, 6 per cent? I think that it means that the purchasing value of the dollar is eroded.

I think that the budget shows that the Minister of Finance is realistic and responsible when he wants to extend social measures while attempting to reduce our deficit over a five-year period. I must not forget to mention the value of our currency, because all those factors must be taken into consideration when a budget is being prepared. For example, let us consider what happened in the European Economic Community or in Europe when the German mark was recently devalued by 20 per cent, the French franc by 30 per cent, while last week the Canadian dollar was worth about 85 cents. I also feel that most Canadians agree to maintain that slight margin in relation to the American dollar.

I should like to point out to the hon. members that in terms of dollars, every dollar spent because of the monetary policy of the Minister of Finance will enable us to control inflation and to ensure finally that the weekly income of the constituents of Mercier, especially the aged, the single parent families, largely made up of women and children, is not affected. I feel that at present, the priority of the government is to provide every citizen with the required income to enjoy a minimum quality of life, to set fair and equitable tax rates, as does the budget and manage at the same time to reduce inflation in Canada.

Mr. Speaker, one of the major components of the budget is, of course, the national energy policy implemented by the Minister of Energy, Mines and Resources (Mr. Lalonde) as well as the agreement entered into with Alberta. Since 1979, Canada was really not in a position to prepare a budget without that major component. I am pleased to note today that the Canadian government has signed that agreement with Alberta, even though the negotiations were difficult, even though the previous government had never succeeded in reaching an agreement.

For the information of my constituents, Mr. Speaker, perhaps I should mention some of the loopholes this budget intends to plug, to indicate what the Minister of Finance exactly had in mind when he set forth to abolish some of the exemptions that were granted to certain individuals. For instance, Quebec taxpayers are already contributing to a dental insurance plan for children aged from 0 to 16. This coverage is already provided, and some $50 millions have already been paid by Quebec taxpayers. Also, a number of employers, through collective agreements, are providing their employees with free dental care programs. These are benefits which are not included in the income and which will be taxable from now on. Mr. Speaker, as a Canadian living in Quebec I think I am already paying taxes to provide my children with dental care, and that it is only fair that if such benefits are to be provided to some people, they should not be provided to only one class of citizens, as it is the case now, a very small group of workers who benefit from collective agreements, as only 30 per cent of workers are now unionized and are entitled as such to free dental programs.

Here is another example, Mr. Speaker, of benefits which will be taxable from now, I mean, in the case of a taxpayer who owns two houses. Previously, a well-advised citizen could quite legally buy a first house and register it under his own name, then buy himself a house in the country and register it in his wife's name. I think that this was the way it went most of the time, although in some cases, there are wives who have bought second houses and registered them in the names of their husbands. So when he or she sold both houses, there were no taxable gains because the houses had been registered under two different names. From now on, it is the family unit that will be taken into account under the new taxation system. The capital gains, therefore, on the second house will become taxable. I think that the taxpayers in my riding of Mercier will feel that this is quite fair, for I do not see how they could support a second residence for other Canadians or would provide them with special benefits, when some of them cannot even afford good quality housing. On the other hand, Mr. Speaker, I am also aware that some business executives were receiving interest-free loans. I too would have liked to see my constituents in Montreal-Mercier go to the bank and borrow $100,000 without paying interest. The old provisions in our fiscal law allowed corporations to lend tremendous amounts, as high as $100,000, without tax being levied on that interest benefit. I feel that this budget is simply reintroducing equity for Canadians. The 12 million taxpayers who were granted a tax reduction through this budget cannot but agree. As far as I am concerned, I must state that in my constituency I received only one letter, and it came not from a firm but from a business association. I can understand that some adjustments have to be made. I can understand that some non-discrimina-

tory interpretations have to be drawn, and I believe the initiatives in the new budget will be interpreted in a fair and equitable way by the Minister of Finance.

Mr. Speaker, this afternoon the hon. member for Joliette (Mr. La Salle) raised the matter of the urea-formaldehyde foam insulation, and he suggested the government should commit funds in that respect in the budget. I must state that as far as I am concerned, I have followed the situation very closely because in my constituency, I know of a number of victims. The Minister of Consumer and Corporate Affairs (Mr. Ouellet) is now considering different measures to help those involved.

But what I would like to condemn at this point is the behavior of the hon. member for Joliette who in his capacity as the former Minister for Supply and Services, had agreed to an established standard for the use of that foam insulation under the previous government. And now, the hon. member has stood in his place and told us this afternoon that remedial actions had to be taken. I would point out that the product was allowed to be used when he was minister, and the people in the constituency of Joliette must know that the hon. member for Joliette approved that product. And if problems arose because of what may have been faulty application or installation, I feel that this government will take its responsibilities as it did with the budget. But I also think that this responsible government is not willing to commit $1 billion of the taxpayers' money to solve a problem where a much smaller amount may be needed.

Mr. Speaker, I have listened with great interest to the many well-documented comments made by my colleagues from the NDP on medicare programs. I must say how I sympathize but I find it passing strange that their arguments should always center on provincial programs and that they put so much emphasis on bank profits. I am not here to speak in defence of the banks, Mr. Speaker, and I do think that we passed an excellent piece of legislation on that matter earlier in this session. I will leave it up to the Minister of Finance to decide whether he wants to consider this issue. Still I think that it is not with our hearts but with our heads that we must analyse this budget, and that is why I ask every member of this House to think that each and every citizen of his riding, each and every taxpayer, everyone in fact must have his or her fair share of the gross national product and of the wealth of this country, and that is why, Mr. Speaker, as a Quebecer I am proud to vote in favour of a budget such as this one.

• (2010)

[*English*]

Mr. Friesen: Mr. Speaker, I rise on a point of order. Would the hon. member for Montreal-Mercier (Mrs. Hervieux-Payette) permit a question? I believe she has some time remaining.

The Acting Speaker (Mr. Ethier): Will the hon. parliamentary secretary entertain a question from the hon. member for Surrey-White Rock-North Delta (Mr. Friesen)?

Mrs. Hervieux-Payette: Mr. Speaker, if the question concerns the minister's portfolio, I am unable to answer questions for him.

Mr. Taylor: She doesn't have any answers. She just reads them.

Mr. Walter McLean (Waterloo): Mr. Speaker, I welcome this opportunity to add the concerns of the people of Waterloo riding to the national tide of dissatisfaction which has risen to greet this antisocial and regressive budget.

In a document which gives the government such an important opportunity to send out so many signals of its social policy, even those in my area who have supported the government so loyally for so long have found that there is nothing but a cold shoulder for the growing number of unemployed, the small family farmer, the low-income insurance policyholders, the small business community, and perhaps foremost is the sector of Canadian society made up of victims of this government's last budget and its continuing high interest rate policies. I refer, of course, to home owners. I refer also to those on fixed incomes, whether veterans, widows, single parent families or the elderly.

In this budget, which has been presented with such fine rhetoric, Canadians are blamed for inflation. They are force-fed with price increases. They are ignored if they are not working. They are taxed more if they are working. And they are forgotten if they are unable to work.

The most devastating of the finance minister's error in judgment is the one of omission. Nowhere in all the volumes that go to support this budget is there even the slightest bit of evidence that the minister, or his officials, who seem to have taken hold of him in the process, have ever considered giving encouragement to the voluntary sector.

On top of forcing cuts to community based centres and transition homes for women, the government refuses to maintain and to widen caring alternatives, which are supplied across our nation by the voluntary community. Already faced with staggering increases in the operating overhead as a result of the government's refusal to offset unprecedented postal rate increases, the voluntary sector—the YMCAs, the Cancer Society, the Red Cross and the churches—is being overloaded and discouraged just when the need is greatest for their goods and services.

It is not surprising that in recent days those looking at the fabric of our Canadian society see the potential for a great deal of social violence and social strife. Already instances of family violence are up as family after family seeks to make ends meet just to provide the basics.

At a time when unemployment in Kitchener-Waterloo, in the surrounding area and generally in southwestern Ontario, has never been greater, this budget does not create even one job. As my colleague, the hon. member for Cambridge (Mr.

Speyer) said on November 18, "There is no reason to believe that this government wants Canadians to believe they have the right to make a living".

My colleague, the hon. member for Elgin (Mr. Wise), former minister of agriculture, pointed out on November 19 that the Minister of Finance's (Mr. MacEachen) elimination of the income-averaging annuity contracts and the capital gains tax reserve has tragically penalized the retirement income of the Canadian farmer.

It would seem clear that no one in this government understands the fact that a farmer's retirement income lies in the sale of his land. No other segment of Canadian society has its retirement income so severely taxed. According to the government's own Statistics Canada figures, Canadian farmers will bear the brunt of the economic effects. Their net income is expected to drop by about 15 per cent. Farm operating costs will rise faster than the return on the sale of farm products. On top of this must be added the hidden costs of energy price increases, which alone will account for a 2 per cent increase in food prices. These have not been offset by any form of energy tax credit, a feature in the Crosbie budget. The Crosbie budget now looks much more humane and compassionate in terms of the human and social side of its proposals, which brings me to this government's assault on the ability of low-income Canadians to plan a family's financial security.

At the national pensions conference held in Ottawa in April, the Minister of Finance had some interesting comments. He said:

● (2020)

I think it is universally agreed that private pension plans will continue to play a vital role in the retirement income system.

The effect of inflation on private pension plans is perhaps one of the most difficult problems that we face. I think we must deal with the harmful effect inflation can have on those with pensions from employer-sponsored pension plans and on those people in our society who are least able to protect themselves from inflation.

Finally he said:

The federal government, acting alone, cannot give Canada a retirement system geared to suit the expectations and the needs of Canadians.

Despite those statements, Mr. Speaker, made just over six months ago, the Minister of Finance, acting alone, has, without warning, knocked the bottom out of the private pension market, employer-sponsored pension schemes and the retirement plans of millions of Canadians. To rearrange the minister's own words, the federal government, acting alone, can give Canada a retirement system completely unsuited to the needs and expectations of Canadians.

Another of the many areas with which this budget has tinkered so callously is that of support for health care and post-secondary education. The budget includes an attempt to reduce the federal government's obligation to assist in the financing of health and post-secondary education by $5.7 billion over the next five years. We all remember now that on budget night the Minister of Finance argued that such reductions would be offset by $3.790 billion in additional tax revenues to be collected by provincial governments. Already he has revised this figure downward by $662 million, meaning that provincial tax revenues will be raised by $3.128 billion, but they will have $2.562 billion less to use in the health care system and for the Canadian community colleges and universities.

It is indeed ironic that after justifying the new energy taxes, which are part of the agreements they signed with the governments of Alberta, British Columbia and Saskatchewan, on the grounds that the national government had to be able to distribute energy wealth across the country more equitably, this budget does not propose to spend one cent of the $7.5 billion additional revenue on either health care or post-secondary education. Indeed, the budget proposes to save government money at the expense of these two social programs.

I am urging, within my own riding of Waterloo, the University of Waterloo, Wilfrid Laurier University and Conestoga College, just as I urge the representative bodies from the sector of post-secondary education across the nation, not to be deluded by the finance minister's subtle and confusing schemes. Just as this budget includes no job creation incentives, neither do our community colleges receive extra funding for retraining initiatives and programs geared to the thousands of Canadian women who are seeking to re-enter the work force.

I should like to say that the mail I have received from Kitchener, from Waterloo and from the townships of Woolwich, Wellesley and Wilmot which I represent, and from across Canada since this insensitive budget was introduced, is overwhelming. It outlines the unnecessary suffering the budget inflicts on those in our society who are least able to cope. Here, is just one of several examples: I quote from a letter written to the Hon. Paul Cosgrove, minister for housing. It states in part:

There are few words strong enough to express my displeasure with both the current state of economic affairs and the recent budget. You see, I am one of the unfortunate individuals whose mortgage renewed at high interest rates. To be precise, on August 25, 1981 at 21½ per cent, up from 9¾ per cent. On a mortgage of approximately $44,000, the interest rate increase meant monthly payments would increase by approximately $400 in after tax dollars.

Further on the letter goes on to read:

The disappointment you have created in hundreds of individuals who put their trust in you is beyond comprehension . . . it's criminal and I am both angry and depressed. Here are some alternatives:

(B) Sell and rent. Almost a (zero) per cent vacancy rate in this area.

(E) Sell more annuities and life insurance, my profession, to earn additional income. Although I'm working night and day to reach that objective, I guess it goes without saying that Mr. MacEachen's budget has blocked this alternative, the repercussions of which will be monumental and will become apparent in the immediate future.

I have another letter which has come to me from the head office of a National Company, Home Hardware. The general manager of that collection of entrepreneurial and energetic hardware operators across the country writes in this letter, addressed to Mr. MacEachen:

The provisions in your recent budget to transfer the collection of the Federal Sales Tax to the wholesaler is one that perplexes our industry—

Transferring the tax to the wholesale industry will increase the paper-work burden by more than 1,000 fold . . . We urge you to reconsider this very costly proposal until it can be studied more fully by government and the industry . . . the tax should be applied on the acquisition cost and not on the wholesale selling price.

Again, Mr. Speaker, from across this area of Canada, full of representatives of working people in our industries, representatives of small business people, comes another letter which states in part:

Why are you removing the incentive for the small business?

This person goes on, as he sees the dilution of his Canadian dream, in these terms:

The shame of it all is that we are a consulting firm specializing in productivity improvement, something this country and your government needs badly. We are very successful in this and are having good results in the immediate area which, as you know, suffers from severe economic problems, plant shut downs, lay-offs, etc. However, your budget is destroying us and the people we are trying to serve. You may have been out to catch the super rich, but you caught us in the same net.

The budget, in its efforts to come to terms with the importance of responsibility in government planning, has done something which the previous budget presented by those on this side sought, has not balanced restraint with compassion. It has not offsets for those who are hurt the most.

Since the finance minister is so interested in bottom lines, as he is fond of saying, and not in social costs, let me conclude by giving him a message relating to both on behalf of the people of Waterloo riding whom I represent. This budget offers no incentive for people to invest either for themselves or of themselves. I urge the minister to withdraw the budget and realize the disastrous social effects it is having upon the morale of the people of this nation.

● (2030)

Hon. John C. Munro (Minister of Indian Affairs and Northern Development): Mr. Speaker, the over-all intent of my remarks tonight will be to point out some of the very tangible benefits of this budget for the native people. But first, as far as the general thrust of the remarks by my colleague, the Minister of Finance (Mr. MacEachen) in his budget speech is concerned, it is of no less interest to the native and northern Canadians than to others. It seems to me that the task of crafting a national economic policy requires the meshing together of a multitude of considerations into a coherent over-all policy. I congratulate my colleague for his general approach to the economy and I also thank him for the consideration which his budget showed for the particular interests of those Canadians whom I represent in cabinet.

As the Minister of Finance said, the budget has three main themes: equity, restraint and economic renewal. The budget embodies two measures which will have a direct impact on natives and northerners in which these themes are clearly evident. These three elements of the budget package are combined in its approach to native economic development. According to the government's fiscal plan until 1985-86, a sum of $345 million has been reallocated from the Western Development Fund to the social affairs envelope to meet the needs of the economic objectives of the native people.

An hon. Member: How much was that?

Mr. Munro (Hamilton East): It is $345 million. Indian people have demonstrated a growing capacity to capitalize on economic development opportunities over the past decade. Wherever I go these days, I hear native leaders describe economic development as a remedy for their peoples' social ills. Perhaps jobs and money in peoples' pockets is not the only answer, but I am satisfied that the systematic identification and exploitation of economic opportunity is one of the single most promising approaches available to us. I am indeed pleased that by agreeing to reassign moneys on the scale which was mentioned in the budget, my colleagues have made a major resource commitment in this direction.

Over the past few years, native leaders have substantially contributed to the evolution of a national approach to break the old cycle of welfare dependence. Together, we have been able to identify significant economic and employment opportunities. Our research indicates an on-reserve potential for thousands of jobs for Indians if we can build on the resources of reserves. The off-reserve potential for native people to be gainfully employed is estimated to be similar, according to our findings.

Through experience, some of it admittedly bitter, we have been able to isolate several limitations to past economic development strategies which were designed for the Indian people. Our primary conclusion was that they have not always had enough control over their own social and economic development and have not had the chance to shape it to their own particular values and widely varying needs. We must ensure that this does not happen again.

Another major impediment to encouraging appropriate economic development has been the absence of one essential ingredient, which is money. All the potential that Indian people can muster will not create jobs and wealth to get them on the road to recovery of their self-reliance without the money to make it happen. In the past, the funds necessary to generate native-run ventures have too often been consumed by the relentless demands of the welfare cycle. The government is taking a positive step in the right direction by setting aside the money identified in this budget. This is the proper direction to follow because Indian people have played a substantial part in its choice. In short, the government has shown the political will to direct a major portion of its new financial allocations toward economic development for native peoples.

To return to the main themes of the budget and how it benefits another group of people for whom I am responsible in cabinet, it is evident also that the principle of equity in taxation has particular significance to northern Canadians. I feel it is vital for northerners to understand that principle which is at stake in taxation of northern benefits. I want to do what I can in the House to clarify this issue and help people make sense of what some may fear is simply just a withdrawal of federal support to people living and working in the north, so I hope that hon. members will bear with me for a moment.

Above all, I want to assure the House that every effort will be made to see that the special needs of northerners are

answered in a way that is compatible with Canada's tax system.

I recall with some vividness my first tour of the north as Minister of Indian Affairs and Northern Development in the early 1980s. I remember clearly the anxiety and sincerity with which I was greeted in numerous communities during that tour which coincidentally closely followed an administrative decision to eliminate the customary exemption of northern benefits which had been permitted until then. I, for one, Mr. Speaker, remain convinced of the necessity for finding an equitable solution.

As you know by now, a decision has been taken to discontinue the temporary remission from taxation of certain employee benefits accorded to people working in the north and in isolated posts. That remission order, or moratorium, was due to expire on December 31, 1981. After that date, low-cost housing benefits, subsidized housing allowances and travel assistance in respect of transportation and medical purposes would have become taxable like any other income.

The effect of the budget, then, is, first, to extend the moratorium for another year until December 31, 1982. The tax relief is limited to those benefits that are granted under employer-employee agreements reached before this budget was announced. All such benefits will become taxable as income from employment effective January 1, 1983. The extension will allow sufficient time for employers and employees who are directly affected by this decision to negotiate the required adjustment.

Second, beginning with the 1982 taxation year, and for the following years, the list of qualifying deductible medical expenses will be extended to include travel costs incurred by residents in isolated areas so that they may receive medical services which are not available to them in their region. I welcome this measure which contributes toward improving the fairness in the accessibility in the medical services for all Canadians wherever they may live.

It is well known that in order to attract experienced workers in the north and other remote areas, industry and governments have to offer higher financial incentives. The present system favours employees represented by unions which negotiate non-taxable benefits which are added to their members' basic wages. For the majority of employees who are not represented by unions, the additional financial incentive offered to them by small employers to work in the north has been built into their basic wages and consequently has been fully taxed. This clearly is unfair and unacceptable.

The cost of living in the Northwest Territories and the Yukon affects all northerners to some degree. Therefore, any measure to assist them should benefit everyone, and, preferably, it should be related to their economic status.

As indicated in the budget, the delay of one year will allow the government to have adequate time to review the need for and the means of providing special assistance to employees working in the north and in isolated posts. I am pleased to say that I have been assigned this responsibility and that I have already instructed my officials to look, in co-operation with officials of other departments, at possible means of responding to the special needs of northerners in a way that is compatible with Canada's tax system. The difficulty we are faced with is how to offset termination of the moratorium without creating a precedent in the national personal income tax policy. I am confident we will find a solution in the ensuing years.

● (2040)

I have followed closely the budget debate and the public comment over the last four weeks. I have been impressed by the one conclusion that must be reached by any hon. member who is prepared to deal with the economic facts. The undeniable truth is that nothing which has been said in the debate undermines the fundamental premise of the budget as presented by my colleague, the Minister of Finance. The Minister of Finance set out to establish—convincingly, I believe—that there can be no deep and lasting relief from our current economic ills, including high levels of unemployment, slow economic growth rates and high interest rates, until inflation is reduced. We must do all we can to bring down the rate of inflation. This is what the measures introduced by the budget will help bring about, if we give them a chance. As my colleague, the Minister of Finance, stated in the House:

> We will generate less employment, less growth and more unemployment if we attempt to live with inflation than if we resolve once and for all to see it steadily reduced.

As a trading nation, Canada has no choice but to follow this policy with determination. All hon. members are aware, but it bears repeating, that Canada is an open economy; 25 per cent to 30 per cent of our gross national product is generated by exports. If we are to remain competitive with our major trading partners, we have to make sure that the rate of inflation in this country does not exceed that of our competition. This is particularly the case at this time. The principal policy objective of the United States, which accounts for about 70 per cent of our exports, is to break the back of inflation. This is what the United States government believes it must do in order to put its own house in order and enable it to meet tough competition in its domestic and world markets. The current projection is that the United States may be able to achieve an inflation rate of 7.5 per cent to 8 per cent in 1982. This compares with an inflation rate in Canada of 12.7 per cent. Unless we are determined to bring our rate down, a gap of more than 4 per cent in the inflation rate between Canada and the United States will impose a severe burden on our ability to compete in our most important markets.

As a Member of Parliament from a so-called steel city, I know this could a have a major impact of a deleterious kind in terms of steel production in that city and a more exaggerated and unfortunate impact on employment rates in the steel industry.

The budget reinforces the determination on the part of the government to take the lead in bringing down the rate of inflation. In the first place, the government is taking effective measures to reduce the budgetary deficit. We believe that the vast majority of Canadians support this endeavour, since too

great a share of tax revenue is now needed to service the national debt. This process was started in the October 1980 budget. It will move forward at an accelerated rate under the current fiscal plan. The deficit and financial requirements will be reduced by $2.9 billion, to a level of $10.5 billion in 1982-83, and there will be a further reduction in 1983-84.

By bringing down the deficit, the government will ease pressure on interest rates. the magnitude of this initiative and its potential for economical stimulation can be measured by the fact that the deficit amounts to 4 per cent of the gross national product this year and, according to the strategy under the current fiscal plan, this could be reduced to 1.9 per cent of the gross national product by 1985-86.

At the same time my colleague, the Minister of Finance, has made provision to continue to assist those Canadians who need government help and to ensure that the burden in the fight against inflation is shared equitably. This is done in a number of ways. first, it establishes a greater measures of equity in the taxes Canadians will pay starting next year. For example, by taking back some special privileges enjoyed by a minority of taxpayers it will make possible a reduction in taxes for about 12 million taxpayers. Taxes will be about the same for 3½ million taxpayers, and they will be higher for fewer than 800,000. The lower taxes for the majority of Canadians hopefully will provide new incentives for individuals to work, save and invest.

Second, the budget brings a significant measure of relief to Canadians who have been hard-pressed by high interest rates, including Canadians who are renewing their mortgages and small business proprietors and farmers who need to finance their operations. The government is allocating $400 million to help Canadians renewing their mortgages, to assist small businesses and farmers and to stimulate the construction of new rental units in metropolitan centres.

Third, the budget will continue the previous measures for indexing which have assisted taxpayers to meet increases in personal and family living costs due to inflation. For 1982, personal exemptions, tax brackets and the refundable child tax credit will rise by 12.2 per cent. The personal exemptions for a family of four will rise from $7,230 to $8,110 next year. The largest percentage benefit from indexing will go to lower-income taxpayers. The total benefit for all taxpayers will amount to more than $3 billion.

The budget must also be given credit for reinforcing a new economic climate that is responsible for bringing down interest rates. It does so, I believe, by giving the strong indication that our inflationary expections have been misguided. We can do something as a country to bring down the rate of inflation, and the reduction in interest rates which all Canadians want is bound to follow. We have already witnessed with a great sense of relief over the past few weeks and months a lowering of interest rates, which certainly is some indication of confidence in the direction we are taking with this economic policy.

As my colleague, the Minister of Finance, has indicated on a number of occasions, the budget measures will be examined in detail in Committee of the Whole. The government will be guided by the three themes which were set out in the budget itself; namely, restraint in government spending, equity for all taxpayers and economic renewal. If all hon. members are motivated by the same considerations, I believe we will be in a good position to work toward the economic recovery this country badly needs and richly deserves.

Miss Pat Carney (Vancouver Centre): Mr. Speaker, I rise today to debate the very damaging and destructive budget which was tabled in this House on November 12 by the Minister of Finance (Mr. MacEachen). Events since then have shown that the budget has had a devastating impact on the economy of our country and on the lives of individual Canadians. The budget is so harmful that in the few short weeks since its introduction the Minister of Finance has been forced to acknowledge three major errors. He has had to change the rules affecting rental housing construction so that the 13,000 homes now under construction can proceed, he has had to give special dispensation to allow certain corporate takeovers to be completed under terms introduced in previous budgets, and he has had to confess to a $700 million error in the federal government's projections of lost provincial revenues. And that is only the start.

At a time of increasing unemployment, the minister has introduced measures which will severely cripple small business, which is one of the most important job-creating sectors of the economy. When nearly one million Canadians are out of work, he has threatened major industries such as the insurance industry, which employs thousands of Canadians, the construction industry and the forest industry. At a time of high interest rates he has brought in a budget which imposes new taxes on income before it is even received, forcing companies and individuals to go to the banks or bankruptcy courts. At a time when productivity is low he has introduced measures which create a tax structure which discriminates against young, expanding and innovative firms which need their cash reserves to finance their future growth and favours established, mature companies which have the resources to pay dividends. At a time when vast new sources of financing and saving are required to finance the projects we need to sustain our economy, he has wiped out incentives to investors. At a time when Canadianization is a goal of government, he has eliminated the right of Canadians to deduct interest on loans made to invest in Canadian companies and given foreign investors a clear advantage over Canadian investors. At a time when Canadians' confidence in the economy is at a 20-year low, the minister has launched a massive assault on our homes, our jobs and our savings. This is not merely my assessment of the havoc that he has created, Mr. Speaker, nor is it only the view of the major interest groups. It is the assessment of those Canadians who have to live with this budget.

● (2050)

Tonight I want you, Mr. Speaker, to hear some of the concerns that have been expressed. A good overview of the feeling of outrage in the country, was expressed by a voter in

the constituency of the Prime Minister (Mr. Trudeau). He writes:

> The Liberals are now proposing to tax the insurance policy income of widows and orphans, the deferred income savings of one-shot earners and the annuity build-ups of self-employed people who have no company pension fund or fat indexed civil service retirement scheme. This is a confiscation of property on a scale not seen since the days of the robber barons of the middle ages.

The general anxiety felt by many Canadians is expressed by the senior citizen who spent her life savings of $500 and borrowed more than $1,000 to buy a wheelchair.

She wrote me:

> How on earth can I pay $1,000 back with the high cost of food, shelter and phone and now this dreadful budget? This budget is making everyone live in fear and fear is foreign to me.

One of the most fearful aspects of the budget is its impact on housing and construction. The budget has not done anything to relieve the critical shortage of housing in the country. Indeed, it has deliberately eliminated tax incentives which have encouraged the construction of rental housing in the 1970s.

The Rental Housing Council of B.C. notes that in the past when incentives were withdrawn, the bottom dropped out of housing development, and vacancy rates dropped to near zero. When the present tax incentives cease at the end of the year, housing experts predict a rental housing famine for years to come.

Tenants in Canada are already suffering from a shortage of accommodation and rising rents. There is the Vancouver apartment dweller whose rent has just increased 66 per cent, from $850 to $1390 per month, and who realizes that with the withdrawal of incentives for rental housing, he will be unable to find cheaper accommodation.

Then there is the case in my constituency of the three senior citizens whose rent is soaring by 70 per cent, from $235 per month to $400 per month, because their building has been sold and they are being forced to assume the burden of the refinancing costs.

There are agencies such as the Kitsilano housing registry in Vancouver, which is in my constituency, which is trying to find housing for single parents who are only able to pay $200 to $300 a month, in a market where a two-bedroom apartment rents from $600 to $900 a month and a one-bedroom apartment from $400 to $600.

The Greater Victoria Apartment Owners Association has advised the minister that without incentives rents on new units will double, and many tenants simply cannot afford to pay.

The association president, Robert Jawl, writes:

> We think people who are forced to rent can be kept housed in decent shelter. Surely Canadians are not asking for favours when they ask that much.

When the then minister of finance, John Turner, introduced the capital cost allowance on MURBs in 1974, he said:

> I am confident that this measure will attract a significant amount of private equity capital into the construction of new rental housing.

History has shown that Mr. Turner was correct. History will show that his successor, the present Minister of Finance, is wrong in removing the incentives which have provided Canadians with homes in the past.

Another concern of individual Canadians is the elimination of the right to deduct interest on loans made to invest in Canadian companies. This right has existed since 1948. This right has been in place for 33 years. Its purpose for 33 years has been to provide an incentive to cautious Canadians to take a risk on the future of our country. This budget makes it a poor risk, since many Canadians have borrowed money and have made commitments in good faith based on measures that were introduced by the past Liberal governments. Now they find they face heavy tax penalties.

There is the college professor who has written the Minister of Finance in these terms:

> Please help, I will be placed in a serious financial situation unless you reconsider a grandfather interest deductibility for commercial as well as residential investments.

He was a small investor with a few thousand dollars who borrowed to invest in a real estate partnership under the tax laws prevailing at the time. His anticipated interest costs for 1982 are $20,000, which represents a large share of his after-tax salary, his only source of income. The investment is not liquid and will not return any income until 1990. He writes:

> It seems most unfair to change the law when I cannot alter my investment which was only feasible under the previous rules.

There were thousands of British Columbians who borrowed money from the chartered banks to take advantage of an opportunity to buy $400 million worth of shares in the British Columbia Resources Investment Corporation. That was the largest share issue in British Columbia's history. People bought their shares then at $6 each. The current market price is about $3.20, reflecting the depressed economy. Yet many small shareholders and first time investors find they can no longer deduct the interest on the money they borrowed to buy a share of their own provincial resources, unless they have other investment income.

Then there is the Canadian businessman who was trying to build a group of totally Canadian employee-owned businesses in Canada, who writes that the loss of interest deductibility will have a disastrous effect on his company's operations, growth and ability to maintain a Canadian presence against its foreign-owned competitors. He writes:

> I, my 100 fellow shareholders and our 500 employees, many of whom aspire to future ownership and management in our companies, have never felt so betrayed or sabotaged in our efforts, as by our own government in the new proposed budget.

Buying a share in the company which employs them, thus helping them to secure their jobs, is the dream of many Canadians. That dream has been shattered by the elimination of interest deductibility for many Canadians.

There are all those Canadians who are writing the Minister of Finance for the first time to point out the unfairness of the government's move in changing rules after commitments have been made. One Canadian writes:

I am incensed that you have the gall to close the "rich man's loopholes", while only a few years ago, you referred to these loopholes, as "tax incentives for housing".

Previous Liberal ministers introduced these measures to encourage Canadians to invest in Canada, to provide for their own financial security and to help Canadians to own a greater share of their national resources and economy. History will show that these Liberal ministers have been right. History will show that the present Minister of Finance has been dead wrong.

The elimination of the interest deductibility is particularly destructive to the very sectors of the economy that this government has sought to encourage. Those companies which require all their cash resources to finance their expansion, and thus do not pay dividends, have been particularly savaged. This group includes junior oil and mining companies which require their funds for exploration and development and high technology companies which use their cash resources to develop new product lines and thus do not plan to pay dividends in their first few years of operation.

The president of one high-tech company, with offices in my constituency, wrote the minister:

The damage that will be done to the growth section of the Canadian economy, the largest provider of new jobs for Canadians, cannot be justified.

A Canadian who located and brought four mines into production in the last 25 years wrote the minister:

The move to propose to limit the deduction of an individual to the amount of his annual taxable investment income is absolutely insane.

Where do you think the majority of money comes from for the initial and secondary financing of the resource orientated companies of this resource rich country of Canada?

This budget removes the incentive to invest in our own country.

There are other measures in the budget which have dealt a bitter blow to many small businesses, many of whom must now pay tax on income before they actually receive it and whose sources of alternative financing have been wiped out.

There is the oil field operator who finds himself being taxed on profits he has not yet made, on business decisions he made under previous budgets, or even on possible future income. He writes:

• (2100)

These provisions as contained in the budget are nothing short of legalized extortion.

There is the logging truck operator in southern British Columbia who bought a tandem trailer truck under financing provided through the Small Business Development Bond first introduced in the budget of the hon. member for St. John's West (Mr. Crosbie). Under the budget of the Minister of Finance, this development bond has been downgraded to a "bail-out" bond, available only to companies in trouble. Since his bank refuses to proceed under the new budget measures, he is left with an expensive piece of equipment, high interest rates and no source of financing.

Then there is the small developer who has been effectively put out of business through the elimination of mortgage reserves. He writes that it normally takes him 10 years to get a subdivision plan approved before he starts to market the property. In the past he usually negotiated a downpayment in cash and then took back a mortgage on the property he sold. He was allowed to declare the profit and pay tax each year as the mortgage payments were made. Now he must declare the entire profit and pay the tax in advance, even though it may be years before he receives his full payment. He wrote to my office as follows:

I was just reaching the stage where lower interest rates made it feasible to start developing some property. Now it wouldn't matter if rates dropped to 5 per cent. I would still be out of business.

Then there is the small developer who has been working for more than a year negotiating the rezoning of his building in a lower mainland municipality. He has written to the minister responsible for housing as follows:

How in the world is an individual supposed to plan in today's economy when you change the rules with no warning and give no time for individuals to prepare or plan their business policy?

There is the Victoria businessman who, with his family, purchased a parcel of land with the intention of developing it as a site for a commercial office building under previous budget provisions. The new budget alters the entire economics of his proposed development. He has been working on his project since November, 1980. He may now be forced to abandon it and face carrying costs of $20,000 per month.

Of course one of the outrageous aspects of the new budget is the provision which taxes accrued income on life insurance policies. In effect, the government proposes to tax income long before it is received. The hon. member for Waterloo (Mr. McLean) dealt with this matter earlier this evening.

Then there are all those measures which impact personally on individuals who run their own business or whose union has negotiated employee benefits in the form of dental plans and medical insurance. Under the new budget people receiving such benefits must pay tax on them. One union official advised me that this provision alone could destroy years of work by the union movement in approving the over-all pay package of Canadians. It will also encourage union negotiators to increase wage demands as compensation at a time when the government is asking Canadians to accept lower wages.

Another unfair blow deals with the small businessman who now finds that he cannot utilize his company's deferred profit-sharing scheme, his hedge against future years when his earnings may be low. Many small businessmen do not know how much money their companies will earn in a year. Thus they draw very limited salaries and, in the event that there are any profits, they allocate funds to their deferred profit-sharing plan. Now these principals are effectively penalized for setting up their companies, assuming risks and putting their money on the line to create the jobs Canadians need and the goods and services Canadians want. Similarly, the 12.5 per cent tax on dividend contributions to small business will make it harder to finance small business from internal cash flows and increase

their reliance on bank financing. Clarkson-Gordon estimated that the dividend tax credit amounts to an increase in income tax of nearly 40 per cent for a small businessman who before the budget took his salary in the form of dividends, if and when he made them. The frustration of many small businessmen is echoed in the one who wrote:

> Canada did not attain its present state of prosperity and advancement through a system of penalizing personal initiative.

There is another measure in the budget which hurts individual Canadians, and it deals with income averaging. In the past, individuals who receive severance pay or writers and artists whose annual income varies could roll their funds into income-averaging annuity contracts or registered retirement savings plans. This provision has been eliminated. The result is that the financial security and the retirement plans of many people have been shattered. There are the public servants and other employees who no longer have an opportunity to transfer severance benefits, without tax penalty, into registered retirement savings plans or to use such plans for the purchase of other types of income annuity plans. Initially this tax deferral mechanism was introduced in other budgets to encourage savings and to help people prepare for their retirement years. Now people who planned their entire retirement income under existing budget provisions will also find themselves paying taxes. The fact that they will now be taxed on their retirement allowance means many people will have to rethink their retirement plans. They are also writing to the minister and to their Members of Parliament.

When RRSPs were first introduced in 1957 by Liberal finance minister Walter Harris, he said:

> Whatever the subsequent loss of revenue may be, it can, however, be regarded as an indication of the volume of provision being made by Canadians toward freedom from financial worry at a time when their earning power has lessened.
>
> To me, this policy makes good sense. Moreover, the broad effect of this new policy will be anti-inflationary, since it will be an encouragement to increased immediate saving which will be productively employed.

History has shown that Mr. Harris was right; history will show that the Minister of Finance is wrong. The budget provisions which affect income averaging do not just affect the wealthy. They affect farmers who sell their only asset, their farm, and plan to live off the proceeds. Now they too face a heavy tax penalty. They affect thousands of Canadians who bought a registered home ownership savings plan and now realize that they will never be able to buy a house. Before the budget they could roll that money into an income-averaging annuity contract. Now, without any warning, they face the prospect of paying a heavy tax penalty at the time of the rollover. Many people affected by this category have been in touch with me. They are senior citizens who quite simply need the extra money which they must now pay in taxes to keep themselves above the poverty line.

The loss of the general averaging provisions also removes an element of financial stability for people whose incomes vary from year to year. There is a logging operator in northern British Columbia who spent years building up his business. Now, through the elimination of the provision, he will get hit for taxes the first year he meets with any success. There is the west coast fisherman who did well during this summer's salmon season after several years of poor runs. He operated the whole season under the existing general averaging provisions, and now he feels he will have to pay extra taxes. The loss of this provision hits hard on small business people who earn very little in their first years of operation while they build up their business and then face high taxes in their first good year of operation.

I have attempted to convey some of the views of ordinary Canadians who have been affected by the budget. One of the best views comes from a British Columbian who wrote to the Minister of Finance as follows:

> Please explain to me how a budget that creates unemployment, stops construction of housing units, bankrupts the middle class and hamstrings Canadian investors can help Canada at this time.

But I think the best summation of all comes from another British Columbian who wrote the minister as follows:

> I'm mad as hell and I'm not gonna take it anymore!

Canadians will not accept the budget. It has caused too much pain, too much anguish and too many broken commitments. The problems are too big for band-aid treatment. The budget must be withdrawn.

Some hon. Members: Hear, hear!

Mr. John Evans (Parliamentary Secretary to Deputy Prime Minister and Minister of Finance): Mr. Speaker, in light of what the hon. member for Vancouver Centre (Miss Carney) just said, it would be worth repeating that the minister indicated on a number of occasions that where serious problems are being caused for individuals who made plans and provisions under the old tax rules, he is prepared to consider them seriously and to bring about adjustment provisions for the transition from the old regime to the new regime. It is really unfair to stand in the House of Commons and indicate that the new regime will come into effect immediately without any adjustment or transition provisions, when the minister indicated clearly that such measures would be forthcoming if it could be shown that serious difficulties were being caused for Canadians as a result.

• (2110)

The hon. member for Vancouver Centre raised another point and before I get into my discussion I should like to deal with it. The hon. member discussed a great many of the incentives that have been put into the tax system in past years.

An hon. Member: Loopholes!

Mr. Evans: Some hon. members opposite say there are loopholes. The same word has been used before. I would say it is an unfortunate word to use, and if I have ever used it myself it was unintentional. Some incentives were put into the tax system in order to achieve certain economic objectives. If those incentives have been used over the years for tax avoidance as opposed to the achievement of economic benefits for Canadians and Canadian taxpayers through the generation of addi-

tional wealth, then it behooves the government and this House to ask why they are not achieving their original purpose.

Every time a Canadian taxpayer defers one dollar of tax, that means that other Canadian taxpayers have to take up the burden.

Mr. Stevens: If the government spends it.

Mr. Evans: Hon. members opposite will say that government expenditures should be drastically reduced, and some members on this side and in the corner opposite will agree. We can talk about expenditure restraint, of course, but that does not apply to tax policy. Tax policy is established in order to generate the revenues necessary to finance the operations of government. Given the level of expenditures, the tax policy is then established to raise the revenues sufficient to fund that.

If some people use deferrals or other measures to avoid taxation, it means that other Canadians have to pick up the extra burden. They will pick it up in the form of higher tax rates, as was indicated today by the hon. member for Kenora-Rainy River (Mr. Reid); in the form of inflation when the Bank of Canada finances the government deficit, or in the form of higher interest rates when the government has to borrow in the marketplace in order to finance deficits. Certainly, however, the government will have to finance a given level of expenditures. Its operations will be financed and Canadians will have to bear that burden. For every dollar that is rightfully deferred by one Canadian for a good reason, another Canadian has to pick up the additional burden.

Deferrals in the system are a fact of life. If economic benefits greater than the amount of the deferrals themselves are generated, then that is good for Canada. An analysis has to be made, however, and I am sure hon. members opposite would demand it, to determine whether every dollar handed out by the government will return more than one dollar to the Canadian taxpayer.

Mr. Stevens: Show it to us.

Mr. Evans: That is a fundamental tenet with which I am sure the hon. member for York-Peel (Mr. Stevens) would agree. I do not argue that it holds true in all cases; I am arguing that it is a fundamental principle, and if the hon. member for York-Peel does not agree, I wish he would say so, but I think he does agree with it.

Mr. Stevens: Why don't you do it?

Mr. Evans: If the federal government or a provincial government decides not to collect certain tax dollars, then some tests have to be made. Over the last two years an analysis has been carried out. In fact it was started by the hon. member for St. John's West (Mr. Crosbie) who introduced the tax expenditure account in his budget of 1979. That was the first time tax expenditures were examined and listed in a systematic way. They were listed again in 1980. In October of 1980 the Minister of Finance (Mr. MacEachen) indicated that he intended to examine these expenditures very carefully for his forthcoming budget.

When questions were raised, in some cases it was seen that the incentives were not leading to benefits for the Canadian taxpayer sufficient to justify the non-collection of the revenue which is, by its very nature a tax expenditure. That was the basis on which we started.

I am rather sorry that during these six days of debate we have not had a more careful analysis of the situation that faces this country, the United States, Great Britain and western European countries. The situation that we face, the fundamental problems that we face and the kinds of policies that we will require—

Mr. Lewis: Tell us about Coutts.

Mr. Evans: —irrespective of whether there is a Liberal government, a Conservative government or an NDP government in office, the kind of policies required to deal with the fundamental cause of the difficulties we face—

Mr. Stevens: What does Coutts say?

Mr. Evans: I think the Minister of Finance put it correctly and hon. members opposite who are howling over there, for whatever reason, and I am not being the slightest bit partisan—

Mr. Stevens: What does Jimmy Coutts say?

Mr. Evans: —I wish they would sit back and listen to what I have to say before they criticize it. The circus is at it again, Mr. Speaker.

The fundamental problem in our country—

Mr. Munro (Esquimalt-Saanich): Is this government.

Mr. Evans: The fundamental problem is inflation. A number of things flow from an inflationary environment. It increases the uncertainty facing investors and the uncertainty facing consumers. It puts a drag on long-term investment and a drag on economic growth. Time horizons tend to shorten when we are faced with an inflationary environment.

Mr. Stevens: What about Coutts? What about Coutts?

Mr. Evans: It increases required rates of return on investment and it puts a bias on investment decisions toward physical assets and not productive assets. It influences investors toward the purchase of gold and other assets such as land, and depresses—

Mr. Blais: Mr. Speaker, a point of order.

Some hon. Members: Oh, oh!

Mr. Deputy Speaker: The Minister of Supply and Services (Mr. Blais) rises on a point of order.

Mr. Blais: Mr. Speaker, while your attention is being distracted by the hon. house leader of the NDP in the House, the

hon. member for Hamilton Mountain (Mr. Deans), we are not being made aware of the constant interruptions from the gentlemen—

Mr. Deputy Speaker: Order, please. The Parliamentary Secretary to the Minister of Finance (Mr. Evans) has the floor.

Mr. Epp: J.-J. You blew it again. You are like a blind.

Mr. Evans: Mr. Speaker, I should like to thank my friend, the Minister of Supply and Services (Mr. Blais), for trying to quell the screams on the other side.

Mr. Stevens: Tell us about Jimmy Coutts.

Mr. Evans: Inflation leads to corporate takeovers.

Mr. Stevens: What did Jimmy Coutts say?

Mr. Evans: In the last few years we have seen a rise in corporate takeovers rather than capital being directed toward new productive investment. This kind of activity reallocates wealth arbitrarily within the system. It penalizes those who save and it rewards those who borrow. In the past ten years the big losers to inflation—

Mr. Munro (Esquimalt-Saanich): Are Canadians.

Mr. Evans: —have been those who saved, those who invested, because the rate of return—

Mr. Stevens: Who caused that? Who has been in power?

Mr. Evans: —on these kinds of assets has been negative over that period.

Mr. Stevens: Who caused inflation?

Mr. Epp: That is the best part of your speech.

Mr. Evans: It encourages speculative behaviour as opposed to investment. Inflation tends to depress productive investment.

Mr. Stevens: Correct. Who caused it?

Mr. Evans: It tends to depress productivity growth. It tends to depress employment growth, especially in stable, long-term jobs.

Mr. Epp: You depress us.

Mr. Evans: If we look at the latter half of the last 1970s, we see it as a period when inflation accelerated in all parts of the world.

• (2120)

I realize that the hon. members opposite are not interested in hearing someone try to analyse long-term problems which are facing this country and other countries.

Mr. Epp: What are the solutions?

Mr. Evans: Because it is exactly this kind of behaviour that makes the House of Commons a laughing stock to the Canadian people.

Mr. Stevens: No, it is your type of speech!

Mr. Evans: It is about time we started to have some rational debate and a serious analysis of the kinds of problems that are facing us. I would appreciate, if not attention, at least a bit of silence.

Mr. Epp: Give us the solutions!

Mr. Stevens: But talk sense!

Mr. Evans: In the latter half of the seventies, we saw—

Mr. Stevens: And who was in power?

Mr. Evans: —inflation accelerate here and in the rest of the world. What did we see going along with that accelerating inflation? We saw slowing growth, we saw zero productivity growth—

Mr. Stevens: Now you caught on!

Mr. Evans: —we saw rising unemployment, we saw high interest rates, we saw no real income growth for Canadians. Essentially, this country, the United States, Britain, France and Germany, all went into a period of stagnation, which is the handmaiden of inflation. Partially due to inflation, during the period from 1967 to 1971, and not only here but also in other countries, there was an increasing burden being placed on the taxpayer caused by the inflationary movement of people rising into higher and higher tax brackets. This further reduced the incentive to work, to save and to invest. By the mid 1970s, all the western countries had recognized the problem and had responded.

However, the typical response of the western countries during the early seventies, mid seventies and late seventies was to try to offset the disincentives being caused by inflation, by an ever-increasing taxation burden, especially in the United States. That is a country which does not currently benefit from indexation of its tax system. These countries tried to respond by increasing the number of tax concessions, by increasing the number of tax credits, by increasing the number of deductions within their systems and, in some countries, such as Canada, by indexation of the tax systems.

However, the real problem was the high marginal tax rates, and those were not touched. The response by the individual countries meant that one could increase the rate of return on investment if one could find an investment vehicle which involved some form of tax concession. That led to greater demand for even more concessions. However, the incentive problem of high marginal tax rates remained, since each additional dollar earned, without an offsetting concession, was taxed at a relatively high rate. Investment for tax policy as opposed to economic reasons became the rule of the day.

Let me now summarize the matter. What are the causes of our current dilemma? Here and around the world, I think that the causes are common.

Mr. Fennell: Socialist philosophy.

Mr. Evans: I see certain facts. The first fact is that the fundamental, underlying cause of inflation—

Mr. Fennell: Is the Liberal government.

Mr. Evans: —is monetary expansion which grows at a greater rate than the growth of real output. I think that is agreed to—

Mr. Epp: Economics 102.

Mr. Evans: —around the world. Some people will say that it is a long-term problem, but not a problem which cannot be offset with other policy means. However, I think all would agree that, fundamentally, it is the rate of monetary expansion and the growth of purchasing power relative to that which causes inflation.

If we want to solve inflation, we can do it simply through monetary restraint. However, the problem is that when inflation is accelerating, the process of eliminating inflation from one's system through the use of monetary restraint will be long and painful. People will tell us that Japan has high deficits and low inflation. How can that be? It is because Japan's monetary expansion has been relatively low during the period of the last 10 to 15 years; and, in addition to that, it has been able to maintain—

Mr. Epp: High productivity.

Mr. Evans: —low inflation at the same time as high deficits. However, there has been a transfer from the private sector to the public sector—

Mr. Huntington: Of a spirit of excellence.

Mr. Evans: —as a result of those higher deficits. However, one can have high deficits and low inflation; that is not inconsistent. The problem we are facing in this country—

Mr. Huntington: Is both.

Mr. Evans: —is trying to move from a period of high inflation to a period of low inflation at the same time as we are running large deficits. The process of moving from high inflation to low inflation can be faster—

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

Mr. Deputy Speaker: The hon. member for York Peel on a point of order.

Mr. Stevens: Mr. Speaker, before the parliamentary secretary concludes, I was wondering if he could indicate whether he will be dealing with Jimmy Coutts' comments on the budget. After all, he was the—

Some hon. Members: Hear, hear!

Mr. Deputy Speaker: The Parliamentary Secretary to the Minister of Finance (Mr. Evans) has the floor.

Mr. Evans: No, Mr. Speaker, I have no intention of dealing with Mr. Coutts.

Some hon. Members: Chicken!

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Evans: Mr. Speaker, the process could be made faster and less painful if fiscal policy is brought into line with monetary policy on the restraint side. Therefore, as I said, while deficits do not create inflation, they can make the job of the monetary authority more difficult. In other words, the process of moving from a highly inflationary state to a low inflation state without fiscal policy or fiscal restraint will be more painful in terms of higher real interest rates, more painful in high unemployment, and more painful in terms of a longer period of slow growth.

The second fact is that increasing tax burdens, in other words, high marginal tax rates, reduce the incentive to work, save and invest. In other words, they reduce the returns to productive economic activity. Again, I think that this fact is now recognized worldwide, because high marginal tax rates, if one takes the British example, have led to tax avoidance behaviour, have led to the growth of the underground economy and have led to the kinds of demands for more tax concessions. The same kinds of demands were being seen and felt here in Canada. First of all—

Mr. Huntington: Talk about productivity, John.

Mr. Evans: —a proliferation of tax incentives tends to confuse the economic system and increases the complexity of the tax system. They tend to direct investment and savings into areas where they might not have gone otherwise. It narrows and erodes the tax base which, as I said earlier, necessitates the placing of a heavier tax burden on other Canadian taxpayers, and it reallocates the tax burden generally on to those who are less vocal and less well organized. It is very important, I think that where the term loophole has arisen in the past, it has led to a perception by individuals in our society of inequity and a demand for ever more concessions by individuals and groups.

Mr. Baker (Nepean-Carleton): Point of order, Mr. Speaker.

Mr. Deputy Speaker: The hon. member for Nepean-Carleton on a point of order.

Some hon. Members: Order!

Mr. Baker (Nepean-Carleton): Would the parliamentary secretary identify the public servant who wrote that speech for him?

Some hon. Members: Oh, oh!

An hon. Member: It is Jim Coutts.

Mr. Deputy Speaker: The Parliamentary Secretary to the Minister of Finance.

Mr. Evans: Walter, no public servant would write this for me.

Mr. Baker (Nepean-Carleton): You're right!

Some hon. Members: Oh, oh!

Mr. Evans: Mr. Speaker, it focuses attention on the existence of concessions, the existence of the kind of system which we are faced with now and have been faced with before the budget. It focuses attention, again, on the tax policy reasons for activity as opposed to the long-term economic reasons.

As I said earlier, when concessions are granted, it means that other Canadians must carry a heavier tax burden. That was the kind of problem which was facing the minister and the government when this particular budget—

Some hon. Members: Oh, oh!

Mr. Evans: —was brought into place. These are the fundamental facts which are at the heart of our economic difficulties in this country, namely, inflation, and the rates of taxation and deficits.

What of the current policy implemented by the budget? The budget we have in place is one of monetary restraint. There has been a policy of gradualism to bring down the rate of growth and money supply over a good many years now. It is now at the level where we can expect to see some break in the rate of inflation. However, as the Governor of the Bank of Canada has said, some support on the fiscal side is required if we are not to go through a prolonged period of difficulty. Therefore, the government has introduced a policy of fiscal restraint. At the same time, it has tried to improve the over-all incentives, not the specific incentives, in our system of working, saving and investing.

Now, for obvious reasons in politics, the opposition will say that there is no fiscal restraint.

Mr. Epp: A twelve billion dollar deficit!

Mr. Evans: An honest and objective appraisal of the situation will show that to be false. I think it is fair to ask Canadians to consider the public accounts figures. During a period of transition from a highly inflationary period to a low inflationary period, when we can expect real interest rates to be higher than we expect them to be over the medium term, we can look at government discretionary expenditures, if you will, not expenditures as given in the public accounts without public debt charges. The figures in the public accounts for growth of net government expenditures without public debt charges show, and show clearly, that there has been and there continues to be a policy of restraint of discretionary government expenditures. The question is whether the transition costs—and that is the argument we will get into with regard to national account versus public accounts—those costs that are associated with the move from a highly inflationary situation, a high unemployment situation, a slow growth situation toward lower inflation, lower unemployment and a faster growth situation, should be considered as part of the government's permanent expenditure pattern. That is where the argument arises. I say it is not fair and it is not honest to the Canadian people to include those transition costs on a permanent basis in the government's expenditures as part of the government expenditures.

• (2130)

An hon. Member: Someone has to.

Mr. Evans: Certainly they are not permanent costs. They are not discretionary costs. That is especially the case with regard to interest rates. When interest rates rose dramatically over the last year, the cost of servicing the public debt went up by some $2.5 billion. This was totally unanticipated. This was a transitional cost that one cannot say was an intentional result of government policy.

I would doubt whether the Opposition would give the government credit when interest rates come down, if the public debt charges come down and government expenditures fall as a result of those lower debt charges. People would say, "See, the government is now constraining its expenditures." Instead, the opposition will say "No, this happened because interest rates fell, not because of discretion". But I say it is fair on both sides.

I contend that we have put forward a policy of balanced restraint conducive to the fight against inflation. Given what is happening around the world and the domestic situation that we face now, the agreed need is for restraint. I do not think there is any argument on either side of the House that there is a need for restraint, that there is a need to support monetary policy, that there is a need to fight inflation. The question is, how do we achieve it? We can do this in one or two ways. We can cut expenditures. But where would we cut expenditures?

Mr. Taylor: Throw out metric.

Mr. Nielsen: We will start with you.

Mr. Evans: The hon. member for York-Peel is an example of one who would cut government expenditures. The hon. member for Etobicoke Centre (Mr. Wilson) indicated in an interview the other day that over a period of five years the hon. member for York-Peel was able to eliminate $5 billion by cutting expenditures. Given his reputation, that does not seem like a very sizeable sum. But he had done his job, and I am sure, given his reputation, he had done that job very well. That indicates to me that if that is the best he could do, which is a sizeable sum—and I am not saying it is not—we are talking about $5 billion over 5 years, Mr. Speaker, and we are talking about a federal deficit today of about $10 billion. We are not talking about a major decrease from that kind of expenditure reduction.

From where would the expenditure reductions come? Would hon. members slash the social security of Canadians? Are those the programs they would slash?

Mr. Nielsen: How about Mirabel?

Mr. Taylor: How about metric?

Mr. Kempling: What about Mirabel?

An hon. Member: That costs $1 million a week.

Mr. Evans: If the answer is not on the expenditure side, where else is it? It has to be on the revenue side. Ask yourselves that. Ask yourselves if you are going to have that, will you raise taxes? Where are those taxes to be levied if you raise revenues through taxation? Would you raise the burden on those who are already straining under the load? No, Mr. Speaker, there is a growing consensus that tax reductions are in order, not tax increases. But how can you have a reduced deficit when tax rates are reduced as well?

An hon. Member: You tell us, John.

Mr. Evans: Others have tried. Mr. Reagan has tried in the United States. He has decided that the way to go about reducing tax rates and reducing the deficit is to slash social programs at the same time. We have seen the folly of that approach politically. Mr. Reagan will not be able to do it. The deficit in the United States will probably be double what he projected it would be just six months ago because he cannot deliver on the expenditure cut side.

If you look at what Mrs. Thatcher is doing—

Mr. Hnatyshyn: Who is doing it right, John?

Mr. Taylor: At least she is trying.

Mr. Evans: —she has decided that she would cut social expenditures and let the monetary policy carry the load over the long period. You have seen the unemployment effect of that. Our government has decided that the approach to take to improving incentive and reducing the deficit is to broaden the tax base, to shore up the foundations of the tax base, to ensure that the tax burden is carried by a greater number of Canadians in an equitable fashion. That will generate the revenues. That will allow us to preserve the valuable system of social programs that we have built up in this country over the years. That will allow us to cut the tax rate which will increase the incentives to work, save and invest.

That approach which is being implemented by this government, I contend, will prove to be successful. I suggest, Mr. Speaker, that it will prove to be successful and it will be copied by other governments in the western world as a way of coming to grips with these problems without placing the burden on those least able to carry that burden.

The budget attacks the root causes of our problems. It supports the monetary policy in the fight against inflation. It puts strong general incentives in place to work, save and invest by cutting marginal tax rates. An additional benefit, and a benefit that is not recognized as flowing from this budget, but should be, is that because of the reduced deficit and because of the higher and higher incentives, we will have lower rates of inflation leading to lower interest rates than would have been the case without deficit reduction. We are going to have a stable medium-term oriented policy and not a short-term counter-cyclical policy that responds in an ever-increasing way, in an ever-inflationary way. These are powerful incentives as well.

Mr. Nielsen: Garbage.

Mr. Evans: Certainly there will be transition problems. As I said earlier, the minister has indicated his concern and his intention to correct these problems within the context of the general thrust of his budget.

I sincerely believe that Canadians should applaud this budget. Certainly all those who are adversely affected would prefer the budget to take away from other Canadians and not themselves. I know of no way in which revenues can be raised in which no one has to lose anything.

Mr. Nielsen: Rubbish.

Mr. Evans: In the speeches I have heard from the Opposition, and especially the speech made by the hon. member for Rosedale (Mr. Crombie) today, the Opposition is behaving like an alcoholic who thinks that the solution to the problem is more of the same. It is not restraint. It is one more drink, one more subsidy, that will solve our problems.

Mr. Taylor: You should know.

Mr. Epp: You have been the bartender all these years.

Mr. Evans: But it is clear that this is not the real solution. A longer perspective is required and more of the same is not the solution.

Some hon. Members: Oh, oh!

An hon. Member: Order.

Mr. Evans: There are a number of points we can raise with regard to the reaction to policy. I hear the Opposition screaming that we do not care for home owners, for renters, for senior citizens, for the unemployed, for small business or farmers.

Mr. Lewis: That's Cosgrove saying that.

Mr. Evans: I challenge hon. members to ask their constituents, as I have asked mine and some of their constituents as well, whether they would prefer more government programs or lower interest rates. Would they prefer lower inflation? Would they prefer a good future for our young people?

The minister has taken the challenge and he has put forward a budget. I commend him for it.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my colleagues urged me at five minutes before the termination of this debate to go as a posse of one to catch this wild, runaway, stupid, totally inappropriate budget that has been put forward by this administration. There is no minister apart from the Minister of Finance (Mr. MacEachen), who has the slightest

understanding of what was provided for in the budget. As a matter of fact, I defy members of the Department of Finance to say what are the implications of this budget as far as the Canadian public is concerned.

The Minister of Finance was proud to announce that this budget had three themes: restraint, equity and economic renewal. In relation to restraint, I call attention to the table at page 60 of "The Budget in More Detail". As my colleague, the hon. member for York-Peel (Mr. Stevens), and others have said, expenditures have increased by 22 per cent. That is restraint? Revenues by the Government of Canada increased by 19.6 per cent this year. We know that this increases tremendously through income taxes, and if the Canadian people think the minister is being easy in respect of personal income taxes, let me point out that this year he projects revenue through personal income tax to be $23.665 billion. In three years' time that is projected at $41.470 billion. That is restraint? Corporate income tax revenue almost doubles. Petroleum and gas revenue taxes go up almost five times. We find this all the way down the line. As a matter of fact, total budgetary revenues under this budget of restraint will go up from $54.310 billion to $64.960 billion next year. From that minor and modest sum, total budgetary revenues for 1985-86 are projected to be $91.745 billion. That is the projection in respect of budgetary revenues on the basis of tax rates and the national energy plan. The government has fashioned three more udders to the cow this year and has taken the teats from two udders to itself. Is that what is said to be restraint by government?

● (2140)

People like the Minister of National Health and Welfare (Miss Bégin) and other ministers have nothing else in mind but spending programs, which they put forward before their docile colleagues and which they convince a part of the Canadian public to buy. Then they say they must have the money. They do not think first about getting the money and then bringing in the programs. No, they get the programs into place and then insist that they have the money. This is why we have this pulling and pushing with the provinces. The Government of Canada says it must have money and it says how it is going to get the money. That is restraint?

As far as equity is concerned, every discredited proposition contained in the Carter report and every discredited proposition in the white paper on taxation in 1969 has been brought forward by the tax policy section of the Department of Finance, where all the senior people have gone, and we are left with this miserable, mean group of proposals we find in this budget. We will see whether there is equity and we will see what this does to Canadians. Even our professional athletes are going to flee from us.

Some hon. Members: Oh, oh!

Mr. Lambert: I ask those birds over in the peanut gallery to look at the provisions for revenue-averaging and see what happens. Look at what their friends, the doctors, the accountants and the lawyers, will have to do.

Some hon. Members: Oh, oh!

Mr. Lambert: Just look in any part of this country where there is any economic activity and see what is happening.

Mr. Deputy Speaker: Order please. It being 9.45 o'clock p.m., it is my duty, pursuant to Section (8) of Standing Order 60, to interrupt the proceedings and put forthwith the question on the motion now before the House. The question is on the motion of the Minister of Finance (Mr. MacEachen). Is it the pleasure of the House to adopt the motion?

Some hon. Members: Agreed.

Some hon. Members: No.

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

Some hon. Members: Yea.

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

Some hon. Members: Nay.

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

And more than five members having risen:

Mr. Deputy Speaker: Call in the members.

The House divided on the motion (Mr. MacEachen) which was agreed to on the following division:

● (2150)

(*Division No. 136*)

YEAS

Messrs.

Allmand	Collenette	Ferguson
Appolloni	Comtois	Fisher
(Mrs.)	Corbin	Fleming
Axworthy	Corriveau	Flis
Bachand	Cosgrove	Foster
Baker	Côté (Mrs.)	Fox
(Gander-Twillingate)	Cousineau	Francis
Beauchamp-Niquet	Cullen	Frith
(Mrs.)	Cyr	Garant
Bégin (Miss)	Daudlin	Gauthier
Berger	Dawson	Gendron
Blais	de Corneille	Gimaïel
Blaker	Demers	Gingras
Bloomfield	Deniger	Gourd
Bockstael	Dingwall	(Argenteuil-Papineau)
Bujold	Dion	Gourde
Burghardt	Dionne	(Lévis)
Bussières	(Northumberland-	Gray
Caccia	Miramichi)	Guilbault
Campbell	Dubois	Harquail
(Miss)	Duclos	Henderson
(South West Nova)	Dupont	Herbert
Campbell	Dupras	Hervieux-Payette
(LaSalle)	Duquet	(Mrs.)
Campbell	Erola (Mrs.)	Hopkins
(Cardigan)	Ethier	Hudecki
Chénier	Evans	Irwin

Messrs.

Isabelle
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Lalonde
Landers
Lang
Laniel
Lapierre
Lapointe
(Charlevoix)
Lapointe
(Beauce)
Lefebvre
Lonsdale
MacBain
MacEachen
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Munro
(Hamilton East)
Nicholson
(Miss)
Olivier
Ostiguy
Ouellet
Parent
Pelletier
Penner
Pepin
Peterson
Pinard
Portelance
Prud'homme
Regan
Reid
(Kenora-Rainy River)
Roberts
Robinson
(Etobicoke-Lakeshore)
Rompkey
Rooney
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tobin
Tousignant
Trudeau
Turner
Veillette
Watson
Weatherhead
Whelan
Yanakis—134.

NAYS

Messrs.

Althouse
Anguish
Baker
(Nepean-Carleton)
Beatty
Benjamin
Blackburn
Blaikie
Blenkarn
Bosley
Bradley
Cardiff
Carney (Miss)
Clark
(Yellowhead)
Clarke
(Vancouver Quadra)
Cook
Corbett
Crombie
Crosbie
(St. John's West)
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Deans
Dinsdale
Domm
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Gamble
Gass
Gilchrist
Greenaway
Gurbin
Gustafson
Halliday
Hamilton
(Qu'Appelle-Moose
Mountain)
Hargrave
Hawkes
Heap
Hees
Hnatyshyn
Hovdebo
Howie
Huntington
Ittinuar
Jarvis
Jelinek
Jewett (Miss)
Kempling
Kilgour
King
Korchinski
Kristiansen
Kushner
Lambert
La Salle
Lawrence
Lewis
Lewycky
MacKay
Malone
Manly
Mayer
Mazankowski
McCain
McCuish
McDermid
McGrath
McKenzie
McKinnon
McKnight
McLean
McMillan
Miller
Mitchell
(Mrs.)
Mitges
Munro
(Esquimalt-Saanich)
Murphy
Murta
Neil
Nickerson
Nielsen
Nowlan
Oberle
Ogle
Orlikow
Paproski
Patterson
Rae
Reid
(St. Catharines)
Riis
Robinson
(Burnaby)
Rose
Sargeant
Schellenberger
Scott
(Hamilton-Wentworth)
Scott
(Victoria-Haliburton)
Shields
Siddon
Skelly
Speyer
Stevens
Taylor
Thacker
Thomson
Towers
Vankoughnet
Wenman
Wilson
Wright
Young—115.

● (2215)

Madam Speaker: I declare the motion carried.

[*Translation*]

It being past ten o'clock, the House stands adjourned until tomorrow at 2 p.m. pursuant to Standing Order 2(1).

At 10:16 p.m. the House adjourned, without question put, pursuant to Standing Order 2(1).

HOUSE OF COMMONS

Wednesday, December 9, 1981

The House met at 2 p.m.

● (1405)

ROUTINE PROCEEDINGS

[*English*]

AUDITOR GENERAL

ACCESS TO FINANCIAL AND MANAGEMENT INFORMATION—MOTION UNDER S.O. 43

Mr. Bill Wright (Calgary North): Madam Speaker, I rise under the provisions of Standing Order 43. The Auditor General has stated in his 1981 report that his auditors were denied information material to the audit. In particular he was denied documentation by senior officials on the direction of ministers, related to financial and management decisions. I move, seconded by the hon. member for Athabasca (Mr. Shields):

That all financial and management information be available to the Auditor General and that all incidents of non-compliance be reported by the Auditor General to the House.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

EMPLOYMENT

SUGGESTED MEASURE TO MEET SKILLED LABOUR SHORTAGE—MOTION UNDER S.O. 43

Mr. Peter Elzinga (Pembina): Madam Speaker, I rise under the provisions of Standing Order 43. In view of the fact that a skilled labour shortage is a prime concern facing many in the small business community, and in view of the recommendation of the all-party parliamentary task force on Employment Opportunities for the '80s, I move, seconded by the hon. member for Athabasca (Mr. Shields):

That the federal government make a national, regional and local inventory and evaluation of all its training programs and institutions to ensure that they are being used to their greatest capacity, and that these training institutions and programs be used in co-operation with those existing in the private sector so that there is better co-ordination of training in Canada.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

FORESTRY

PROPOSED ESTABLISHMENT OF TRAINING COMPLEX IN NEW BRUNSWICK—MOTION UNDER S.O. 43

Mr. Lloyd R. Crouse (South Shore): Madam Speaker, I rise to move a motion under the provisions of Standing Order 43. Since plans are completed for a maritime forest ranger school and training sawmill at Fredericton, New Brunswick, and the provinces of Nova Scotia, New Brunswick and Prince Edward Island have agreed to pay 50 per cent of the cost of establishing this complex, I move, seconded by the hon. member for Halifax West (Mr. Crosby):

That the federal government, faced with a 50 per cent demand for continuing forestry education for young foresters who lack facilities to make a significant contribution to their training, take immediate action to approve this project in cabinet so that current and forthcoming forestry programs in Atlantic Canada will not suffer from a lack of forestry technicians.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

HOUSE OF COMMONS

INTRODUCTION OF DAYCARE FACILITIES AND PAID MATERNITY LEAVE—MOTION UNDER S.O. 43

Mr. Bob Ogle (Saskatoon East): Madam Speaker, I rise under the provisions of Standing Order 43 on a matter of urgent and pressing necessity. Last week when I abstained from the final vote on the Constitution I did so because I believed the rights of the unborn child were not adequately protected, and further, that society has not adequately provided the support measures necessary to assist women during pregnancy, working mothers and their children. I therefore move, seconded by the member for Hamilton Mountain (Mr. Deans):

That this House confirm its desire to see adequate daycare facilities and other assistance necessary to make childbirth and child rearing less of a burden and more desirable; and further, that we congratulate you, Madam Speaker, for your support of this cause by introducing daycare facilities and paid maternity leave for women working in the House of Commons, and further that this leave be extended to Members' staff, Library staff and Senators' staff.

S.O. 43

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

AGRICULTURE

REDUCTION IN PRICE OF EGGS—MOTION UNDER S.O. 43

Mr. Jesse P. Flis (Parkdale-High Park): Madam Speaker, I seek the attention of all hon. members of the House on a matter of urgent and pressing necessity under the terms of Standing Order 43. On Monday, December 2, 1981, the Canadian Egg Marketing Agency rightly lowered the price of eggs to farmers by two cents per dozen. This price reduction was triggered by their cost of production formula reflecting lower feed costs and interest rates. This responsible action contributes appropriately to our never-ending war on inflation. I therefore move, seconded by our agricultural expert, the hon. member for Lambton-Middlesex (Mr. Ferguson):

That this House recognize, support and encourage other such moves by the Canadian Egg Marketing Agency and other similar commodity groups.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

ENERGY CONSERVATION

DELAY IN IMPLEMENTING ENERGY CONSERVATION ASSISTANCE PROGRAM IN ATLANTIC PROVINCES—MOTION UNDER S.O. 43

Mr. Mel Gass (Malpeque): Madam Speaker, I rise under the provisions of Standing Order 43. Once again the people of Atlantic Canada are being asked to suffer under this uncaring government. The Energy Conservation Assistance Program, ECAP, was created by the government over 14 months ago to assist home owners with the cost of insulation and off-oil conversion. However, in that time only 850 applications out of 4,000 requests have been issued. Therefore I move, seconded by the hon. member for Hillsborough (Mr. McMillan):

That the Minister of Energy, Mines and Resources, who is responsible for ECAP, do immediately release the applications to those who have asked for them, and that he guarantee that the assistance be delivered immediately on the return of the application forms, or be ECAPed.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

• (1410)

THE BUDGET

DEMAND FOR WITHDRAWAL—MOTION UNDER S.O. 43

Mr. Dave Nickerson (Western Arctic): Madam Speaker, whereas yesterday the President of the Canadian Manufacturers' Association reported that, as a result of the Liberal government's inept economic policy, 140,000 Canadians have already lost their jobs in the manufacturing industries, and that with the recent budget there will be no improvement in job opportunities in the coming months, I move, seconded by the hon. member for Bow River (Mr. Taylor):

That the November 12 budget be immediately withdrawn and replaced by measures which will increase job prospects instead of throwing yet more Canadians out of work.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

POLITICAL PARTIES

RESULTS OF GALLUP POLL—MOTION UNDER S.O. 43

Mr. Tom McMillan (Hillsborough): Madam Speaker, the results of a public opinion survey released today by the Gallup organization demonstrate that, if an election were held now, voters across Canada would elect a strong Progressive Conservative majority government.

Some hon. Members: Hear, hear!

Mr. McMillan: The PCs lead the Liberals 42 per cent to 38 per cent, and top the NDP by a whopping 24 per cent.

Some hon. Members: Hear, hear!

Mr. McMillan: I therefore move, seconded by the hon. member for Don Valley West (Mr. Bosley):

That this House concurs with the judgment of the Canadian people that the Liberals should be turfed out of office and replaced by a strong majority PC government.

Some hon. Members: Hear, hear!

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

EXTERNAL AFFAIRS

REPRESENTATION TO SOVIET UNION ON SUBJECT OF HUMAN RIGHTS—MOTION UNDER S.O. 43

Mr. David Orlikow (Winnipeg North): Madam Speaker, I would like to move a motion under the provisions of Standing Order 43 which I hope gains the support of all the hon. members of this House. Whereas the number of Jewish people permitted to leave the Soviet Union in the past year has dropped precipitiously, whereas there is increasing harassment of those who have indicated their desire to leave the Soviet Union, and in view of the Soviet Union's refusal to allow study groups of Jewish people to meet and learn the Hebrew language, I move, seconded by the hon. member for Willowdale (Mr. Peterson):

That this House make an urgent representation to the Soviet Union expressing grave concern over the Soviet Union's increasing violations of human rights in respect to those Soviet Jews who wish to leave that country.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Madam Speaker: The House has heard the terms of the motion. Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to.

* * *

THE BUDGET

IMPACT ON RETIREMENT INCOME—MOTION UNDER S.O. 43

Mr. Gordon Taylor (Bow River): Madam Speaker, prior to November 12, hundreds of Canadians had entered into agreements for sale of their land or business, and planned to use the income-averaging annuities to spread their capital gains over future years. This was both fair and legal, and enabled pioneers to provide for their families and for themselves for the remaining years of their lives. But then they were not robbed at gunpoint by a criminal, but, nonetheless, they were robbed by the Minister of Finance (Mr. MacEachen), whose voice stealthily crept into the homes of these Canadians who spent a lifetime building a nest egg for their retirement, and literally robbed these Canadians of such a great part of their earnings that their families are now left in ruins, bringing heartaches, frustrations, and maybe even suicides. Therefore, I move, seconded by the hon. member for Lethbridge-Foothills (Mr. Thacker):

That this House begs and prays that the Minister of Finance will leave all laws as they were prior to November 12, at least for those who had carried out transactions that were then within the law.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

AVIATION INDUSTRY

PROPOSED ESTABLISHMENT OF AEROSPACE CENTRE—MOTION UNDER S.O. 43

Mr. Dan McKenzie (Winnipeg-Assiniboine): Madam Speaker, the Quebec caucus of the Liberal Party passed a unanimous resolution which calls for an aerospace training centre to be located in Montreal, or nowhere. As this resolution has overruled a government appointed advisory group's recommendation which stated that the aerospace centre should be located in Winnipeg, I move, seconded by the hon. member for Provencher (Mr. Epp):

That this House call on the Minister of Transport and the whole cabinet to ensure that the benefits from the recently announced joint research and development agreement for the aerospace industry signed with the United States are distributed in a fair and equitable manner in all parts of the country and that Manitoba receive at least 10 per cent of the resulting benefits.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

● (1415)

ORAL QUESTION PERIOD

[*English*]

THE BUDGET

TIMING OF ANNOUNCEMENT ON POSSIBLE CHANGES

Hon. Michael Wilson (Etobicoke Centre): Madam Speaker, in the absence of the Minister of Finance I put my question to the Prime Minister. On budget night I referred to the possibility of a tax revolt in this country as a result of the finance minister's budget. Since then I have received hundreds of letters of complaint. Just today I received well over 100 letters from people complaining about the impact of the budget. At a press conference today 23 national leaders of large organizations asked the government to withdraw the budget. People are expressing anger, depression and despair, and I am sure that hon. members in the Liberal Party are getting the same response. When will the government announce which parts of the budget will be changed, and which parts of the budget will be withdrawn in total?

[*Translation*]

Hon. Pierre Bussières (Minister of State (Finance)): Madam Speaker, the hon. member forgot to point out that it

took courage for the Minister of Finance to make these proposals in the House, considering the privileges that existed in our tax system.

I may also remind the hon. member that since the Minister of Finance brought down the budget, I myself and the parliamentary secretary have had an opportunity to meet many groups and to listen to their views on the various provisions and measures contained in the budget.

I may also remind him that the Minister of Finance has pointed out several times that he was a good listener, that one of the objectives he wanted to achieve through this budget was equity, and that he was considering and listening to comments so as to make sure that the equity principle was observed in its various provisions.

[*English*]

REQUEST THAT CHANGES BE ANNOUNCED BEFORE CHRISTMAS RECESS

Hon. Michael Wilson (Etobicoke Centre): Madam Speaker, many Canadians and companies have been left in total limbo or a total state of uncertainty with respect to their personal and corporate planning. The December 31 year end is coming up shortly, being only three weeks away. It will present a deadline within which many people have to make decisions. The budget attacks capital spending, it attacks savings, and spending plans are being put on the shelf pending some resolution to the uncertainty caused by the budget.

I put my question again to the Prime Minister. Will he commit to the House that any announcements of changes to the budget will be made in the House, and that they will be made prior to the Christmas recess?

[*Translation*]

Hon. Pierre Bussières (Minister of State (Finance)): Madam Speaker, I cannot inform the hon. member when and how the Minister of Finance will decide to give the House his conclusions after considering various budget measures. However, knowing how wise is the minister and also his respect for parliamentary procedure, there is no doubt that the Minister of Finance will take those steps at the appropriate time and in the appropriate manner.

[*English*]

REQUEST THAT BUDGET BE WITHDRAWN

Hon. Michael Wilson (Etobicoke Centre): Madam Speaker, I do not know whether my translation was working properly, but I thought the minister said prudence and horse sense. If the Minister of Finance had any prudence and horse sense he would not have brought in that budget; he would have known better than to bring in that budget.

Some hon. Members: Hear, hear!

Mr. Wilson: The changes arising out of the 1980 budget caused the same type of disruption that this budget has, but last year it was in a more concentrated way. This year it will affect many Canadians.

I will put my question to the Minister of State for Finance this time. Since the disruption caused by this year's budget affects so many individuals and so many companies, will the government consider as an option withdrawing the entire budget and starting fresh after the Christmas recess?

Some hon. Members: Hear, hear!

[*Translation*]

Hon. Pierre Bussières (Minister of State (Finance)): Madam Speaker, I think the hon. member really has not read, and certainly has not understood the importance of, this budget. If he had understood the meaning of equity, which underlies the tax provisions, and if he had understood the measures of restraint that formed the basis for the budget's financial framework, he would not be asking the government to withdraw the budget but would be joining the members on this side of the House who gave their majority approval yesterday to the principles of the budget.

* * *

• (1420)

[*English*]

THE ECONOMY

QUERY RESPECTING MATTERS CONSIDERED WHEN PREPARING BUDGET

Hon. Sinclair Stevens (York-Peel): Madam Speaker, in the absence of the Minister of Industry, Trade and Commerce I will address my question to the Prime Minister. In view of the fact that we are now faced with the worst red ink figures in our relationship with the rest of the world in terms of trade, and in view of the fact that the president of the Canadian Manufacturers' Association now says that 140,000 more people have found themselves out of work in the past three months, and bearing in mind there have been 67 plants closed down in Ontario alone, will the Prime Minister indicate, as he was one of the architects of the budget, whether he took this type of thing into consideration?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I would be very happy to convey the hon. member's representation to the minister. I believe he will be in the House presently.

DURATION OF RECESSION

Hon. Sinclair Stevens (York-Peel): Madam Speaker, I would direct my supplementary again to the Prime Minister. Now that the Prime Minister, working with the Minister of Finance and the Minister of Industry, Trade and Commerce, has put in place conditions for a serious recession in Canada, will he indicate to the House how long he expects that recession to continue?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, of course I do not agree with the premise of the question. Therefore, the answer cannot be given.

* * *

HOUSING

REQUEST THAT LEGISLATION BE INTRODUCED BANNING FORECLOSURES

Mr. Edward Broadbent (Oshawa): Madam Speaker, my question is for the minister responsible for housing. Legislation was introduced yesterday in the province of Saskatchewan which will guarantee that no resident of that province will have to lose his or her home because of foreclosure, and this will have the force of law. Considering that the minister has made a promise to that effect at the national level, and in light of the fact there are 635,000 home owners in Canada who will have their mortgages coming up for renewal next year, is the federal government prepared to back up this vague promise with the security of law so that when these home owners go to the banks they will have a firm foundation upon which to deal?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, I thank the leader of the New Democratic Party for the question. I had the opportunity of discussing this matter with the minister of housing for the province of Saskatchewan during my visit some few days ago. I should like to point out at the outset that the move is obviously in response to the fact that fewer than 100 home owners faced foreclosure during 1981. In response to that we feel the Canada mortgage renewal plan addresses the problems which the legislation that was introduced attempts to address. Indeed, it appears as if the challenge to the courts under this new legislation will result from the equitable rules we have already applied in the plan announced in the budget.

But more than that, Madam Speaker, I would like to say to the hon. leader of the New Democratic Party, from the news reports on this legislation, and I have not read it, I am fearful that the introduction of it will have the effect of turning down the production of housing in that province and will, therefore, have the effect of creating further unemployment there. Most important of all, as I indicated to the provincial minister, I am disappointed that in the Speech from the Throne by that NDP government in that province there were no initiatives with new money to stimulate the construction of housing in that province; no money, for example, that parallels the $350 million provided by the Minister of Finance for Canada.

• (1425)

PROVISION OF MORTGAGE MONEY BY BANKS

Mr. Edward Broadbent (Oshawa): Madam Speaker, the minister knows that the commitment made by the federal government falls 50,000 short of the number of housing units that are needed nationally next year.

My second question concerns the point which the minister picked on, the thrust of the Saskatchewan legislation. As the minister knows, the legislation is intended to deal not simply with foreclosures but also with people who will be forced to sell because they cannot afford to renew mortgages. Both these points are covered in the legislation.

Therefore I would like to ask the minister, considering that the Minister of Finance has said in that immortal phrase "the banks must be forced to bleed a little", and considering that bank profits have risen by 182 per cent in the past five years as compared to only a 52 per cent increase in wages and salaries, will the minister now introduce a Canada home owners protection act that will force the banks to provide money for mortgages at an affordable level?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, I cannot let the introductory remarks of the hon. leader of the NDP go unchallenged. The point that I was making to him was that the number of units allocated under the federal rental stimulus program—500 or 600—is 500 or 600 more than that which the province of Saskatchewan addressed in its budget. They addressed zero, a big zero.

Further than that, my fear is that this legislation, rather than helping the industry in that province, will have the exact opposite effect in that it will turn down housing starts and cause further difficulties to the housing industry in that province. As I have indicated, the Canada Mortgage Renewal Plan equitably addresses the problems of Canadians facing mortgage renewal. If they feel that they cannot meet the new payments, that plan is available to them and, of course, the option would be either foreclosure or sale. It is to meet those problems that we introduced that plan.

Mr. Mazankowski: There are a lot of empty houses in Uranium City.

REQUEST THAT BANK ACT BE AMENDED

Mr. Edward Broadbent (Oshawa): Madam Speaker, the minister knows full well that the legislation which has come from this government will leave literally thousands of Canadians having to increase their mortgage payments by $200 to $300 per month, and this government is doing nothing about it. That is the reality.

Some hon. Members: Hear, hear!

Mr. Broadbent: Would he now answer the question which I put to him, and answer it in a straightforward way? Considering that the data is accurate, that bank profits are up by 182 per cent in five years which is more than three times the increase in wages and salaries, why does this government not restore to the Bank Act the principle that used to be there before the Liberals took it out, namely, that the banks have to provide mortgages at levels which the ordinary family can afford?

Some hon. Members: Hear, hear!

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, the Canada mortgage renewal plan which was the subject of the ad which was published in the newspapers following the budget—

Mr. Broadbent: Is this a recorded announcement?

Mr. Cosgrove: —addressed the matter of an equitable response to people who were facing mortgage renewal. Using that equitable base as a guideline, we said that Canadians must address their problems first.

An hon. Member: Oh, yes.

Mr. Cosgrove: We felt that it was equitable that all Canadians, for example, pay a reasonable and fair amount of their income toward shelter costs.

Mr. Broadbent: A guaranteed income program for banks.

Mr. Cosgrove: Madam Speaker, how else can we justify introducing $350 million of taxpayers' money to support shelter and to support renters, if at the same time the hon. member is asking us to use large amounts of money to assist people who are building equity in their homes.

We said that people ought to pay up to a reasonable amount for their own protection, 30 per cent.

An hon. Member: What about the banks?

Mr. Cosgrove: Beyond that we felt it would be equitable for the government to assist.

* * *

EXTERNAL AFFAIRS

REPORTED PLOT AGAINST LIVES OF UNITED STATES OFFICIALS

Hon. John C. Crosbie (St. John's West): Madam Speaker, my question is for the Right Hon. Prime Minister. The President of the United States has said, "We have the evidence", and the U.S. State Department says that they have strong evidence "that Khadafy has been planning the murder of American officials both here and overseas". Has the Government of Canada seen this U.S. evidence, and do we agree that the leader of Libya has planned such activities? Second, have we taken any special measures to co-operate with the United States to prevent any Libyan agents from entering Canada and transiting to the United States and, if so, what kinds of measures have we taken?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I have not had the matter raised with me before this moment and I know nothing about it, but I would be happy to enquire on behalf of the hon. member.

ENTRY INTO CANADA OF LIBYAN NATIONALS

Hon. John C. Crosbie (St. John's West): Madam Speaker, I will try a supplementary question with the Minister of Employment and Immigration. Has Canada taken any measures to deal with the entry into Canada of Libyans or possible Libyan agents, transiting through Canada to the United States? Have we taken any special measures, or have we been asked to take any special measures by the United States? They seem to be very concerned and worried that some attempt might be made on the life of the President or other United States officials. If we have been asked, have we taken any such measures, and has the government considered whether we should ban travel to Canada by Libyans, or by Canadians to Libya? Is anything under consideration in this area?

• (1430)

Hon. Lloyd Axworthy (Minister of Employment and Immigration): Madam Speaker, as the hon. member knows, anybody applying to come to Canada would be required to have a security check, so all those who have come to Canada on student visas, or others, would be subject to those kinds of assessments made by the RCMP at that time. One step we have taken is to provide for additional checks on those who are already in Canada to determine whether there is any connection, and we are satisfied at this point that there is none. We have also undertaken to develop at our border points of entry particular screenings or assessments of those who might be crossing the border, based on consultations with American authorities. We are co-operating to the extent we can within the basic laws of this country.

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[*Translation*]

AGRICULTURE

INQUIRY WHETHER SUBSIDY ON MILK PRODUCTION WILL BE CHANGED

Hon. Roch La Salle (Joliette): Madam Speaker, in the absence of the Minister of Agriculture, I shall direct my question to his parliamentary secretary.

Since I am sure the parliamentary secretary is aware of a problem that is of particular concern to Canadian dairy producers, namely, the fact that agreement on a five-year plan which was to be signed in April has yet to materialize, can the parliamentary secretary give this House and the dairy producers the assurance that the agreement will be signed before December 31, and that the present subsidy will remain unchanged over the next five years?

Mr. Marcel Ostiguy (Parliamentary Secretary to Minister of Agriculture): Madam Speaker, in answer to the question asked by the hon. member for Joliette, I should like to point out that we have had a study made by Price Waterhouse Associates. We received the finished study a few days ago, and

the minister and the Canadian Dairy Commission are looking at the possibility of announcing a new dairy policy. Nevertheless, between now and January 1, it is expected that an increase based on production costs of dairy producers will be announced. For two days the minister and senior officials of the Department of Agriculture have met with more than 800 farmers or persons involved in the agro-food sector, and it is truly regrettable that there were no representatives from the government of Quebec.

Mr. La Salle: Madam Speaker, since I am asking a question that particularly concerns federal jurisdiction over dairy policy, I should again like to ask the parliamentary secretary if he can now give dairy producers the assurance that the subsidy of $2.66 will be maintained in the government's dairy policy for the next five years?

Mr. Ostiguy: Madam Speaker, the subsidy of $2.66 was introduced by this government, and I can inform the hon. member that I do not believe there is any question of dropping this subsidy.

* * *

[*English*]

AUDITOR GENERAL

RECOMMENDATION ON RESPONSIBILITY FOR ACCOUNTING AND FINANCIAL REPORTING POLICIES

Mr. Doug Anguish (The Battlefords-Meadow Lake): Madam Speaker, my question is directed to the President of the Treasury Board. Yesterday the report of the Auditor General was tabled in the House, and the Auditor General has suggested that the development of generally accepted accounting principles for government and a comprehensive summary of financial statements are necessary and will require strong central direction and leadership within the Government of Canada. As the minister will know, this is now diffused between the Treasury Board, the Minister of Finance and the Receiver General for Canada.

Would the President of the Treasury Board assure this House that he will confer with his cabinet colleagues and establish the necessary amendments to the Financial Administration Act to provide the Comptroller General of Canada, through the Treasury Board, with the primary responsibility for the accounting and financial reporting policies of the government?

Hon. Donald J. Johnston (President of the Treasury Board): Madam Speaker, I am pleased indeed that the hon. member makes reference to the report of the Auditor General, which I did not have the opportunity to read yesterday before question period.

I must say I am very pleased with the over-all tone and content of the report, which I think the hon. member will agree demonstrates major progress across all areas of accountability in government and a great dedication on the part of this government to greater management and accountability practices. In keeping with that, my answer to the hon. member is yes, we are conducting studies at the present time. We hope to be bringing forward some technical amendments to the Financial Administration Act in the near future to make some adjustments, but we also hope to engage in an overview and an over-all study of the Financial Administration Act and the accounts at an early date.

OVERPAYMENT MADE TO CANADIAN NATIONAL RAILWAYS

Mr. Doug Anguish (The Battlefords-Meadow Lake): Madam Speaker, my supplementary question is directed to the Minister of Transport who, along with the President of the Treasury Board and many others, I assume is recovering from the surprising disclosure that Canadian National Railways was the recipient of a $53 million overpayment and, in addition, substantial tax benefits, when it claimed losses which in fact it did not have. A previous report of an auditor general, Mr. Macdonell, criticized the government for not verifying claims for railway subsidies, and I wonder what the Minister of Transport has to say about this overpayment and what he is willing to do about it. Is there also an overpayment of this magnitude to the Canadian Pacific Railway?

Hon. Jean-Luc Pepin (Minister of Transport): No, Madam Speaker. The difficulty was created at the time of recapitalization of the CN in 1978. The mistake was uncovered by the Canadian Transport Commission in 1980. Payments were stopped at the time, and we are looking now at a way to recover what was overpaid at that time, so the problem will be resolved.

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PIPELINES

ALASKA GAS PIPELINE—APPROVAL OF MEASURE BY UNITED STATES CONGRESS

Mr. Roland de Corneille (Eglinton-Lawrence): Madam Speaker, my question is addressed to the Minister of Energy, Mines and Resources. We are constantly hearing predictions of gloom and doom from the benches across the way about such things as our economic relations with the United States. In this regard, would the minister kindly report on the status of the macro Alaska pipeline project?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, I am sure the House will be happy to know that the House of Representatives has approved the waiver package put forward by the administration to the United States Congress.

Some hon. Members: Hear, hear!

Mr. Lalonde: This step by the United States Congress ensures that all the legislative roadblocks to this major project have been removed and that the United States administration

and Congress honour fully the commitment they made to the Canadian government last year when we discussed this matter with them and stressed to them how important it was that this project receive support from the United States Congress and the United States administration. We now hope that financial arrangements will be made to ensure the realization of this project in the private sector.

Some hon. Members: Hear, hear!

* * *

ENERGY

FEDERAL-PROVINCIAL CO-OPERATION ON HYDROGEN PROGRAM

Mr. G. M. Gurbin (Bruce-Grey): Madam Speaker, my question is also directed to the Minister of Energy, Mines and Resources. In January of this year the minister of energy for Ontario requested the assistance and co-operation of the Minister of Energy, Mines and Resources in relation to energy research and development, particularly for hydrogen. In May of this year a special parliamentary committee suggested a $1 million hydrogen program. Up until two weeks ago there was federal-provincial co-operation respecting this program. Will the minister tell us why he asked his officials to stop discussing this with Ontario officials two weeks ago?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): I never made such a request, Madam Speaker. I think the best evidence of that is that there were meetings as recently as two weeks ago, and I presume there will be other meetings. I have never given any such instruction.

There are discussions taking place, I believe, with the government of Ontario and with officials of the government of Quebec, and we have indicated to other provinces which are interested in this particular technology that if they have any proposal to put forward, we would be happy to discuss it with them. I am afraid the hon. member's information is completely wrong.

REPORTED INSTRUCTIONS FROM QUEBEC LIBERAL CAUCUS

Mr. G. M. Gurbin (Bruce-Grey): Madam Speaker, my supplementary question is also directed to the Minister of Energy, Mines and Resources. I am afraid the minister's nose is starting to grow again. He will know full well that his officials had instructions two weeks ago to stop discussions with officials from the province of Ontario. It is unfortunate that the minister's main expertise is in political manipulation, as the people of Canada will know well when they consider the massive taxes they are paying on heating oil and gasoline and when they consider the stalled tar sands plants.

I ask the minister to confirm to the House that he has been given instructions from his Quebec Liberal caucus to make sure all investment in hydrogen occurs in the province of Quebec, to confirm that he has denied the province of Ontario participation in a national energy program, and to confirm that in fact what he has done, because the province of Quebec has now boycotted the federal government, has been to stall completely progress in this important area of energy development for Canada.

● (1440)

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, I hope the forecast of the hon. member about my nose is absolutely without foundation.

Mr. Epp: Just take a look.

Mr. Lalonde: I can tell him that the rest of his question was even more without foundation. There has never been any discussion of the type the hon. member mentions. It is a lot of nonsense. I must tell the hon. member, without any reservation, that he is completely wrong from the beginning to the end of his question. It is totally without foundation.

REQUEST THAT ANNOUNCEMENT BE MADE ON ALBERTA MEGAPROJECTS

Mr. Jack Shields (Athabasca): Madam Speaker, my question is also to the Minister of Energy, Mines and Resources. Perhaps he can use the occasion of my question to make another announcement in the House on the megaprojects in northeastern Alberta. I am sure the minister is aware that the investment in one megaproject, either in Alsands, Fort McMurray, or the plant at Cold Lake is $14 billion. This would lead to 97 million man-hours of employment across Canada at a time when unemployment is at an all-time high. It would contribute $3.6 billion to Canada's balance of payments and help secure Canada's future energy supplies. When is the minister going to stop dragging his feet and make an announcement in this House that those megaprojects will proceed on schedule this winter?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, I have never dragged my feet.

REQUEST THAT CONCESSIONS BE MADE TO OIL INDUSTRY

Mr. Jack Shields (Athabasca): Madam Speaker, the minister may not be dragging his feet but he is certainly dragging his nose. Will the minister confirm to this House that he will make the necessary concessions to the industry so that these megaprojects can get onstream and be constructed now? He knows that if the Alsands project does not proceed this winter, it will result in a full 18-month delay, if the go-ahead is not given by mid-December. Is he prepared to give this assurance to the House?

[*Translation*]

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, we have had negotiations with the government of Alberta. An agreement was concluded in September on oil pricing and fiscal arrangements. Since then

we have had a number of discussions with representatives of the oil companies on the subject of tar sands projects. These negotiations have been conducted at the senior official level by Alberta, the Government of Canada and the companies concerned. On December 18 of this year we shall be having a meeting with representatives of Alsands and I shall be happy to report to my hon. colleague on the results as soon as the discussions involving the government of Alberta, the government of Alberta and the oil companies have been completed.

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[*English*]

THE BUDGET

CANADA MORTGAGE AND HOUSING CORPORATION ADVERTISEMENT—STATEMENTS MADE BY MINISTER

Mr. Doug Lewis (Simcoe North): Madam Speaker, my question is for the minister responsible for housing. On December 4 the minister admitted to the House that employees of Studio S&B of Montreal had typeset the now famous ad on the Monday prior to the budget. That ad was sent out from Montreal by Purolator on Thursday, budget day. On November 17 the minister stated in the House:

> I learned generally of the provisions of the budget ... on Thursday afternoon ... My officials worked from five o'clock in the afternoon, through the evening, and early the next morning, and produced for my inspection that document which had been worked upon.

My question to the minister is: which of those contradictory statements is true?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, as I intimated in response to a question from the leader of the New Democratic Party earlier this afternoon, the purpose of the ad being prepared in readiness to be produced in newspapers across the country on the following weekend was to give Canadians an opportunity of knowing what the particulars of the budget were, and what the specifics of the program were so that, for example, provincial legislatures that were looking at the same problem, as well as individual Canadians, would know what the federal government was proposing. That is the reason why the material was prepared in advance. If it coincided with the budget provisions announced by the Minister of Finance, it would be released. It was authorized for release for delivery to the newspapers after the Minister of Finance gave his speech in the House of Commons on November 12.

WORK OF OFFICIALS ON EVENING OF BUDGET'S PRESENTATION

Mr. Doug Lewis (Simcoe North): Madam Speaker, the minister just admitted that the ad was prepared in advance of the budget. I would ask the minister what his officials were working on from five o'clock in the afternoon until the next morning.

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, there are a number of issues involved in the mortgage renewal plan, which the leader of the NDP hit upon this afternoon, such as the question of equity. For example, should the government decide to introduce grants rather than provide support to the financial industry for offering an interest deferral? That is one of the issues that generated a large amount of discussion between my officials, my office, officials of Canada Mortgage and Housing Corporation, as well as our representations over the last three months prior to the budget with officials of the Department of Finance and the minister.

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[*Translation*]

RESEARCH

INQUIRY WHETHER GOVERNMENT GRANTS MORE SUBSIDIES TO ONTARIO THAN TO QUEBEC

Mr. André Maltais (Manicouagan): Madam Speaker, my question is directed to the minister responsible for Science and Technology Canada. For some time Quebec has publicly claimed that the federal government gives more research grants to Ontario than to Quebec. Can the minister clarify these statements? Second, can the minister inform the House whether Quebec has refused to accept money from his department which was earmarked for national parks, especially in the Mingan Islands area on the North Shore?

Hon. John Roberts (Minister of the Environment and Minister of State for Science and Technology): Madam Speaker, regarding the first part of the hon. member's question, some ministers in Quebec claim that the federal government is not doing as much for Quebec as it is doing for Ontario. This is entirely inaccurate, Madam Speaker. If we consider financial support for universities and industrial research, the funding for Quebec is quite similar, proportionally, to what is being done for Ontario, on a per capita basis. It is true that at the government level, much of our research is carried out within the departments in the National Capital Region. It has often been said that we do not communicate with the Government of Quebec on co-ordinating a science policy. That is not true. I have often expressed my willingness to listen to my Quebec counterparts and to discuss our problems. After all, it was Mr. Lévesque who suggested that Quebec ministers should not meet their Ottawa counterparts; I did not. I am still willing to meet my opposite number, Mr. Morin, if he is agreeable. I believe the second part of the question concerns national parks, and I must say that we are also willing to co-ordinate our efforts for the purpose of creating new national parks in Quebec, but that, too, requires the co-operation of the provincial government.

Oral Questions

[*English*]

THE BUDGET

EFFECT ON FORMER CNR AND VIA RAIL EMPLOYEES

Mr. Laverne Lewycky (Dauphin): Madam Speaker, in the absence of the Minister of Finance I will direct my question to the Minister of State for Finance. The November 12 budget has hit many retiring low and middle-income people very hard and, I might add, unfairly. For example, those who retired after November 12 and are affected by the CNR-VIA cutbacks cannot place their retirement allowances or job termination payments into an RRSP or annuity. Of course this also affects farmers and small businessmen. They stand to lose up to half of their retirement funds to taxation. The Minister of State mentioned earlier that members of the government are prepared to do some fine tuning to the budget. Will he inform the House what he is doing to address the problem of former CNR and VIA employees?

[*Translation*]

Hon. Pierre Bussières (Minister of State (Finance)): Madam Speaker, as I said earlier, the Minister of Finance is still considering the provisions contained in the budget and the extent to which these provisions satisfy his concern for equity. As soon as he has thought the matter over and made any decisions that may be necessary, he will inform the House accordingly, and the hon. member's concerns will be considered by the minister.

● (1450)

[*English*]

REQUEST THAT MINISTER INTERCEDE ON BEHALF OF RETIRED RAILWAY EMPLOYEES

Mr. Laverne Lewycky (Dauphin): Madam Speaker, my question is directed to the Minister of Transport. I hope he is a little more prompt in answering this question, because he has a letter from me that he has not answered for the past four months. Many of the CNR and VIA employees in my riding of Dauphin, and also in Yorkton-Melville, and hundreds of others across Canada are being forced to take early retirement due to the recent cutbacks. These people are faced, as I mentioned earlier, with losing up to half of their retirement allowances, their only income until age 65, through taxation.

Is the minister, who heartlessly oversaw the CNR-VIA cuts, prepared to show a caring attitude and help the cause of his former employees by seeking to put pressure on the Minister of Finance to have delineated a reasonable amount of retirement allowance so that it would be non-taxable?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, the second question is absolutely the same as the first question. Obviously the answer is the same as the first answer.

An hon. Member: You did not answer it the first time.

Mr. Pepin: The problem raised by my hon. friend is a real one. There is no doubt that some arrangements had been made for the retirement of people at VIA, CN and CP. The Minister of State for Finance and I have been talking with the Minister of Finance in order to reach a resolution of that difficulty.

* * *

PETRO-CANADA

QUERY RESPECTING LOCATION FOR HEAVY OIL UPGRADER IN SASKATCHEWAN

Mr. Bill McKnight (Kindersley-Lloydminster): Madam Speaker, I should like to direct my question to the Minister of Energy, Mines and Resources. Because of PetroCan's involvement with the heavy oil consortium, the upgrading consortium in Saskatchewan, will the minister explain to the House and the shareholders of Petro-Canada, and to the people of Canada, the preference the government has, or PetroCan has, as to the location of the heavy oil upgrader?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, the Government of Canada and, as far as I know, Petro-Canada, have no particular preference as to the location of the heavy oil upgrader in Saskatchewan. The leader of this group is Husky Oil Ltd., which is the largest shareholder. Examination of the various sites is taking place. I assume that the consortium, of which Petro-Canada is a member with various other corporations, is going to make an announcement shortly in that regard. Husky Oil is the leading company in that group and will be the one to make the announcement when they have reached a particular decision. As far as the Government of Canada is concerned, I can tell my hon. friend that the department that I head has taken no stand and has no particular views with regard to a particular site.

RESPONSIBILITY FOR SITE DECISION

Mr. Bill McKnight (Kindersley-Lloydminster): Madam Speaker, in view of the fact that the majority of the publicly held companies in the consortium have expressed their preference for a location in northwestern Saskatchewan for the heavy oil upgrader, am I to understand from the minister that he is leaving that decision up to Sask Oil and The Government of Saskatchewan, disregarding the other 75 per cent of that consortium?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, what I have just said is that there is a consortium of companies, of which some are public companies and some private companies analysing this particular situation, and that I do not intend to interfere with their management decision as to where this particular upgrader should be situated. I believe Petro-Canada represents only a 15 per cent interest in this particular project. There are other parties, but those various parties are discussing this issue, I am sure. But, again, Husky Oil Ltd. as the leading shareholder in this project, will be the one to make the announcement in due time.

HOUSING

DOCTOR'S ADVICE TO SCARBOROUGH, ONT. HOME OWNERS—GOVERNMENT POSITION

Hon. Perrin Beatty (Wellington-Dufferin-Simcoe): Madam Speaker, my question is directed to the minister of housing. Is the minister of housing aware of a statement by a Hamilton radiologist, Dr. Dermit McLoughlin, who said with reference to families on McClure Crescent in Scarborough who have radioactive soil in their back yards that they should move out immediately? If he is aware of that, is the government prepared to purchase the homes of the affected families to enable them to move away before their health is threatened?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, I am aware of newspaper accounts of the information that the hon. member has just introduced to the House. I must say, as the Member of Parliament for the riding affected where the homes are located, the allegation made most recently, one that is being repeated, was made earlier and it was checked by a number of other doctors in Metropolitan Toronto, I believe in the Hospital for Sick Children. There is some dispute among the medical profession as to whether the advice given that the hon. member has referred to can be verified by other medical practitioners.

MINISTER'S POSITION

Hon. Perrin Beatty (Wellington-Dufferin-Simcoe): Madam Speaker, I am trying to get the translation of the minister's answer. Is the minister saying that he does not believe that this matter is serious enough that the government should be offering to buy the homes of the affected families on McClure Crescent?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, on the contrary, this government believed that the matter was serious indeed. It was to that end that the Minister of Energy, Mines and Resources authorized and worked with the agency of government, the Atomic Energy Control Board, to move the affected material, upon it being identified. Because of applications to the Federal Court of Canada, the federal government was blocked in two attempts to move the material. It is because of an interim injunction granted by the Federal Court, blocking the federal government from moving that material, that we have been frustrated in our attempts, because of the risks posed by this material, to act on the matter.

REQUEST THAT GOVERNMENT CONSIDER BUYING AFFECTED HOUSES

Right Hon. Joe Clark (Leader of the Opposition): Madam Speaker, will the minister of housing tell the House whether he is recommending to the government that the government prepare itself to purchase the houses on McClure Crescent?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, the Minister of Energy, Mines and Resources has indicated to the municipality of Metropolitan Toronto that the federal government would co-operate and assist with the removal of the material to a location just a few miles away from the spot where it is now. We are waiting for the decision of Metropolitan Toronto to have the material removed. All we need is the okay and the material will be removed with dispatch. As I indicated, that would be a less costly and a more practical solution than the one to which the right hon. gentleman has referred.

MINISTER'S RECOMMENDATION

Right Hon. Joe Clark (Leader of the Opposition): Madam Speaker, is the minister of housing recommending against the government purchasing the houses on McClure Crescent?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, that request has been made. I have asked my officials to take a look at it. If Metropolitan Toronto indeed does not respond to the residents affected, then that is one of the options that this government would have to consider. I must say, Madam Speaker, that it is very frustrating that this government, which has offered financing, has offered expertise and offered its co-operation in the removal of the soil, and has been frustrated by other levels of government, but we still get the silly kind of question such as the right hon. gentleman has asked.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

* * *

BANKS AND BANKING

INTEREST RATES CHARGED BY CHARTERED BANKS

Mr. Don Blenkarn (Mississauga South): Madam Speaker, my question is directed to the Minister of State for Finance. The minister will know that the government presently has about $11 billion on deposit with the chartered banks. It is receiving only 13.5 per cent or so for that money. I was wondering why the government was not using its influence with the chartered banks, having all that money on deposit at such a low rate with those banks, so as to force them to reduce the prime rate of interest for business and others that borrow from the banks, say to 16.25 per cent, instead of 17.24 per cent?

[*Translation*]

Hon. Pierre Bussières (Minister of State (Finance)): Madam Speaker, perhaps I may be allowed to make the hon. member a couple of suggestions. First, he should take another look at how chartered banks operate in Canada, and second, he should also look at the situation on the money market and how interest rates are set. If he does, he will easily find the answer to his question.

Petition

[*English*]

USE MADE OF GOVERNMENT MONEY

Mr. Don Blenkarn (Mississauga South): Madam Speaker, my supplementary question is directed to the Minister of State for Finance. I am surprised he is so incompetent that he is prepared to lend money at 13.5 per cent and pay 19.5 per cent to borrow it.

An hon. Member: Right on.

Mr. Blenkarn: Since he is prepared to lend money so cheaply to the banks, why does he not lend some of that money through the Bank of Canada to the Farm Credit Corporation—

Some hon. Members: Hear, hear!

Mr. Blenkarn: —or to the Federal Business Development Bank, or the Canada Mortgage and Housing Corporation, instead of leaving it with the banks? Why does he not use it for the people of Canada?

Some hon. Members: Hear, hear!

[*Translation*]

Hon. Pierre Bussières (Minister of State (Finance)): Madam Speaker, I was trying to be polite in answering the hon. member. I omitted to say that he was incompetent and I just mentioned he was ignorant. What he should do before asking his questions is to look at market conditions and find out why a deposit is made in such and such a bank and why that deposit bears a given rate of interest. He would easily find the answers to his questions. So, between incompetence and ignorance, I think I will let him be the judge.

* * *

● (1500)

[*English*]

PETITION

MR. McLEAN—THE CONSTITUTION—REQUEST FOR DELETION OF SECTION 33 OF CHARTER

Madam Speaker: I have the honour to inform the House that the Clerk of the House has laid upon the table the 153rd report of the Clerk of Petitions, stating that he has examined the petition presented by the hon. member for Waterloo (Mr. McLean) on Tuesday, December 8, 1981, and finds that it meets the requirements of the Standing Orders as to form.

PRIVILEGE

MR. LEWIS—FAILURE BY MR. COSGROVE TO CLARIFY ALLEGED CONTRADICTORY STATEMENTS

Mr. Doug Lewis (Simcoe North): Madam Speaker, my question of privilege arises from answers given by the Minister of Public Works (Mr. Cosgrove) who is responsible for housing, to questions posed yesterday by the Right Hon. Leader of the Opposition (Mr. Clark) and today by me. Yesterday my leader pointed out that the minister had told two different stories on two different occasions; today in my question I also pointed out that the minister had given two different answers on two different occasions.

I want to invite you, Madam Speaker, to consider a question of privilege which is not exactly covered by the rules. I submit to you that one of the privileges of a member of the House is to have the truth for herself, for himself and for the country. I invite you to set a precedent within the rules and to widen them. When it is clearly demonstrated to the House that a minister has made contradictory statements and when that minister refuses, when asked, to establish which of those contradictory statements is more correct, I submit to you that the House has a right to the truth.

In Beauchesne, fifth edition, page 12, Citation 19(2), there appears the following statement:

> The failure of a Minister of the Crown to answer a question may not be raised as a question of privilege.

I am not raising the minister's failure to answer a question as a matter of privilege; I am not dealing with that. What I am raising is the minister's failure to clarify his answers, and the right of the House to the truth.

Madam Speaker: Order, please. That particular point is certainly provided for by our rules, our precedents, and by citations from Beauchesne and Erskine May. What the hon. member is saying is that he does not agree with the practice that is indicated by the hon. minister. There is obviously a dispute as to the interpretation of a situation. The question may be dealt with through debate, through questions in the House, but certainly not in a question of privilege. If an hon. member is not satisfied with an answer given to him by another member in the House, that does not form the basis for a question of privilege. I have said that before and the hon. member, who knows that I have said it before is inviting me to interpret a question of privilege by criteria which are outside our rules. I do not know then under which criterion I could consider the question of privilege if it is not within the confines of our rules and precedents.

If hon. members want to change the rules and provide other occasions for the discussion of these matters when they disagree on the interpretation of facts, then I invite them to do so. Certainly, however, the hon. member cannot invite the Chair to rule outside of the rules. That is simply impossible and quite outside any conception that I might have of my role.

Mr. Lewis: Madam Speaker, what I was inviting you to do, within the ambit of your duties as Speaker, was to widen the

protection for this House; not the privilege, but the protection. You are the protector of the House in order to get at the truth. When we have contradictory statements, I invite you to consider a motion putting that to the committee—

Madam Speaker: I am sorry, but I have to interrupt the hon. member. I am not the protector of the House to allow hon. members to get at the truth. Who is going to determine what is truth? I bring the hon. member back to the situation we have been discussing in the House for a number of weeks and that is, can the Chair determine where "the truth" is among the different facts that have been presented before the House? If debate does not elicit this information, nothing else will and certainly not the arbitrary, or perhaps not so arbitrary, decision of the Speaker. I am not at all authorized and furthermore I am not equipped in my function, to determine where the truth is.

Hon. Erik Nielsen (Yukon): Madam Speaker, on this question I would hope that your ruling is not to be interpreted as meaning that it is not within the province of the Chair to find that a question of privilege exists where a minister has been caught, red-handed, making misleading statements to the House. If there is one privilege upon which all members of the House are entitled to rely, it is upon the answers of ministers being consistent.

In order to give emphasis to the matter, I am going to contrast it with an example of something that happened several years ago. In the case before us the record shows that in reply to questions put by the Right Hon. Leader of the Opposition (Mr. Clark) yesterday, the minister made one statement on the day referred to in the question and the following day made a totally contrary statement.

Questioning by the deputy House leader today demonstrates that the same thing has occurred again; one answer on one day and a totally different answer on another. In my mind that constitutes circumstances worthy of consideration as to whether they constitute a question of privilege.

May I draw to the attention of the Chair the precedent upon which I could rest my case exclusively but need not do so, namely, that contradictory statements or misleading statements to the House are matters which may be found to be questions of privilege.

I take the Chair back to a precedent which occurred in 1963 when the prime minister of the day, the late Mr. Pearson, in responding to questions raised by the opposition, stated to the House that the first he had heard of certain circumstances relating to the rather scandalous matters which arose on that occasion was when he had returned from a trip to Jamaica, I believe it was. It was only a question of having heard of the matter within the previous couple of days. It transpired, two or three days later, as the result of the work of the media and of members of the opposition, that his answer was incorrect and that the minister of justice of the day had in fact briefed the prime minister during a trip from Prince Edward Island to Ottawa. The clearly contradictory statements made by the prime minister of that day constituted a very real question of privilege. I draw the analogy to the contradictory statements now under consideration.

After presentation of the case and a consideration of the contrariness of those statements, of course the Chair is at liberty to find that they do not constitute a question of privilege since they do not want to mislead members of the House. I submit to the Chair, however, that the hon. member who raised the question has a right to present enough of his case to the Chair to show the contradictory nature of those statements in order to at least bring it within the purview of the consideration of the Chair. What the Chair does with it after that is another question. Your Honour may well find that the circumstances about to be described do not constitute a breach of privilege. The bottom line, however, is that if a minister of the Crown misleads a member of the House, in my submission that is a very serious breach of privilege. I also submit, however, that the Chair is bound, in the protection of the privileges and rights of all members of the House, at least to hear the case in order to be in a position to make that decision.

• (1510)

Madam Speaker: I think the hon. member hinted that the particular case which he raised concerning the Right Hon. Mr. Pearson had been dealt with through a question of privilege. I would want to verify that because the hon. member did not clearly say that; but if it had been, I would doubt very much that it was considered to be a question of privilege for the reasons he stated. When a contradictory statement is made in the House—and I would say that any hon. member is entitled to contradict himself if he so wishes—it is the duty of hon. members opposite to point out these contradictions and to challenge the hon. member because he had contradicted himself. However, it is not the duty of the Chair to do that, and the Chair has no means by which to do it, except by exercising a judgment on the substance of that question, which hon. members know the Chair is not in a position to do.

The hon. member spoke about hon. members having a privilege in the sense that they are entitled to consistent answers, answers which are not contradictory.

Mr. Nielsen: They are entitled not to be misled.

Madam Speaker: I agree that they would want to seek that kind of an answer from hon. members in the House. However, if they feel that they have been misled in any way or form, they have procedures to follow in order to solve that particular problem. Hon. members know what procedures they can follow. But certainly, if we resort to questions of privilege in all these circumstances, then the privilege of hon. members will certainly be in danger because we will have widened the scope so much that questions of privilege will be raised in many circumstances. I repeat to the hon. member that while a question of privilege gives a very special protection to hon. members, and because that protection is so special, we must use it with infinite care so that it not be dispersed in other matters.

Therefore, the matter raised by the hon. member is not a question of privilege. If an hon. member is not satisfied with the answer of a minister and feels that it is contradictory, he can deal with it in the House through all sorts of means, but not through the means of raising a question of privilege.

Hon. Walter Baker (Nepean-Carleton): Madam Speaker, I hesitate to speak on this matter, but Your Honour made a statement, which does somewhat concern me, that an hon. member of the House of Commons has the right to contradict himself. I say with respect that that statement, taken by itself, is a rather dangerous proposition, because what it envisages, at least in my mind, is that if I spoke what was held to be the truth today—

Madam Speaker: Order. I do not know whether I used the correct words. What I did mean, and what remains a fact, is that if an hon. member does decide to make contradictory statements in the House, that is his funeral, and other hon. members—

Mr. Nielsen: Well, exactly.

Madam Speaker: —would easily be able to point out the contradictory nature of these statements. The Chair cannot tell an hon. member not to make a contradictory statement. It is not within the purview of the Chair to say such things. That is the only thing I am saying.

Mr. Baker (Nepean-Carleton): Madam Speaker, there was some doubt in your mind as to the precedent quoted by the hon. member for Yukon (Mr. Nielsen), my House leader; namely, the 1963 precedent. Your Honour had indicated some doubt as to his interpretation with regard to that precedent. I assume that Your Honour would like to look at that precedent to see how it applies. However, I say with respect that we must be very careful to ensure that the rules are not interpreted or applied so that there is really a licence for irresponsibility in terms of answers given, a licence which could be exercised in such a way that there could be contradictory statements, hon. members saying one thing one day and saying the opposite the next day, to the extent where the House could indeed be misled as a result of unparliamentary practice.

I think that, given the examples raised yesterday by the Leader of the Opposition (Mr. Clark) concerning the minister responsible for housing, and today, by my friend, the deputy opposition House leader concerning the same minister, if those contradictions are allowed to exist, then not only will we have damaged the precious right of the question period but we will also have made a mockery of it in that ministers, for one reason or another, could say anything they wanted on one day and anything they liked on the other, with impunity. I have never thought that that was the purpose of the question period, nor what this House of Commons was all about.

Some hon. Members: Hear, hear!

Mr. Baker (Nepean-Carleton): It may be the minister's funeral, and it may be that we are observing his last rites here. However, if Your Honour is reserving decision, it is very important that, with respect to the truth of answers in the question period—not the right of a minister not to answer—Your Honour should at least take an opportunity, which I think you gave yourself, to review the precedent which has been put forward by the hon. member for Yukon and to review the statements which were made yesterday in response to the questions by the leader and the deputy House leader of the official opposition with respect to this matter. While no one wants to widen the rights of privilege to the point that there is chaos in the House of Commons, and that is not the argument, I say, with respect, that they should not be so narrowly interpreted that they amount to a licence not to use one's best efforts to give the truth and a licence to mislead, because that was never the purpose of the question period.

Madam Speaker: I interrupt the hon. member because he is going in a direction that I feel is completely removed from what we are trying to discuss and look into more precisely. There is no licence to tell the untruth in the House.

Mr. Baker (Nepean-Carleton): One or the other is true, or they are both false.

Madam Speaker: The goal of the opposition is to try to elicit answers on certain matters and situations and to get the facts straight from the government side. The rules and the total process of Parliament exist for that reason in particular.

I cannot accept the arguments of the hon. member for Nepean-Carleton (Mr. Baker). Hon. members know full well that if they want to accuse the minister of having been inconsistent or contradictory, they can do that, and they have other ways of doing it. However, of course, those other ways require the hon. members be very precise in their own facts when they challenge the minister's exercise of responsibility. I invite hon. members to do that if they feel they can, because that is the process; but not through a question of privilege. Despite the fact that hon. members on this side are inviting me to enlarge my interpretation of a question of privilege, I cannot do it in this particular circumstance because the problem, as exposed to me, does not incite me to do so.

Right Hon. Joe Clark (Leader of the Opposition): Madam Speaker, I rise on this matter since Your Honour has not had an opportunity—nor have I, nor had the hon. member for Yukon (Mr. Nielsen) to consult the precise precedent to which the hon. member for Yukon made reference.

I am really rising to signal my interest in reserving the right to pursue, tomorrow or on another occasion, the question relating to the facts I will outline. No one in the House disputes the ruling which has been made by Your Honour and others in the Chair that a difference of opinion between hon. members is simply debate. What we have here is a difference of opinion by the same minister with regard to the same set of facts which are on the record. I would just make the observation in passing that, as Your Honour would know, a minister of the Crown has an unusual duty to the House, having sworn an oath as Privy Councillor, and that is a duty to tell the truth.

Mr. Nielsen: That's the point.

Mr. Clark: There is no doubt at all about a minister's right not to answer; but I would suggest that there should also be no doubt at all about the right of private members of this House of Commons to be able to count upon the answers which are given by a minister when a minister chooses to answer.

• (1520)

We are put in a situation here where, on at least two occasions, the minister responsible for housing has given directly contradictory answers. We do not know which of his answers we are to believe or, indeed, if there is a third, fourth or fifth answer which he may offer later on which will be contradictory to those that he has put forward at this point. I can quite understand the Chair's reluctance to widen the rules. The difficulty always, when a new situation arises that has not been confronted squarely by the rules in the past, is that an interpretation is required. A reluctance to make an interpretation on the grounds that it would widen the rules could have the effect of narrowing the rules. It could have the effect of narrowing the rights of Members of Parliament. I am sure that is something that none of us would want to contemplate lightly.

I rise at this point simply to indicate to you, Madam Speaker, that I would like to reserve the right to pursue the matter raised by my colleague, the deputy House leader of the official opposition, referred to by my colleague from Yukon and my colleague, the hon. member for Nepean-Carleton (Mr. Baker), either tomorrow or at another time.

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, in the event that you are still hearing submissions on this point, there is one point on which I would agree with the hon. member for Simcoe North (Mr. Lewis), that is that there is nothing in Beauchesne, Erskine May or in any precedent of which I am aware that would constitute a precedent to enable you to rule that this matter is a question of privilege.

It really boils down to the fact that members opposite are saying they do not like the answers given by the minister responsible for housing. That is fine.

Some hon. Members: Oh, oh!

Mr. Smith: There are answers given consistently in this House which members opposite do not like. For you to make a ruling, Madam Speaker, that would create a precedent that somehow you are to become the arbitrator of what is or is not the truth would put the Chair in an absolutely impossible position. I think it is a political matter. It is a matter for debate.

Hon. members say the minister has made contradictory statements. But in whose opinion? It is in their opinion. Not everyone will share that opinion. In my opinion, it would put the Chair in an impossible position to have to render an opinion as to whether ministers may or may not have made contradictory statements.

I agree with you, Madam Speaker, that a member has the right to change his or her position on some matter. I remember hearing stories about Mackenzie King when he was in Parliament. Members opposite would frequently rise and quote something from *Hansard* that he had said. But Mackenzie King would always say "Read on, read on". And if members read on, they would find that he had come down on both sides of the issue. This situation frequently occurs.

An hon. Member: That is all very helpful.

Mr. Smith: As situations may change, positions may change. I think it would put the Chair in an absolutely impossible position to create a precedent along the lines suggested here today.

Madam Speaker: I have not completed my ruling on this particular question. I was only responding to the invitation of the hon. member for Simcoe North to widen the interpretation of what I consider constitutes the basis for a question of privilege.

I think most of the interventions I have made to date have conveyed to hon. members that I am not prepared to do that without further consideration of the question by the entire House. I want to live by the rules which the House have given me to protect.

I do feel at this point, after the discussion we have had, that I cannot find a prima facie case of privilege in the facts as exposed by hon. members.

The Right Hon. Leader of the Opposition (Mr. Clark) has reserved the right to look into the precedent which was quoted. I suggest that perhaps he could raise a new question of privilege as soon as possible. He may do that with proper notice, of course. It would be helpful if he would indicate to the Chair where he finds the basis for a question of privilege. I will await that. However, for the time being the matter is closed on this particular question raised by the hon. member for Simcoe North.

Mr. Nielsen: Madam Speaker, I should tell you that both the Leader of the Opposition and myself perforce must be absent tomorrow at the appropriate time. Therefore, the earliest the matter can be raised will be Friday.

Hon. Allan Lawrence (Durham-Northumberland): Madam Speaker, I assume you misunderstood the reason why I rose earlier and have been rising for the last five or ten minutes. I have been rising to make a submission to you prior to your making a ruling.

I must say to you that if there has been that misunderstanding in your mind then I accept that. If you did appreciate that I was standing to make a submission to you before you make your ruling, I must say that I resent it very deeply.

Madam Speaker: The hon. member knows that the Chair may decide when it is sufficiently informed to make a ruling on a particular question. I heard several speakers. The Chair is not obliged to listen to all members who want to speak on a

question of privilege or on a point of order. At some point the Chair has the discretion to end the discussion.

I usually find the intervention of the hon. member quite useful, but in this particular case I felt that I had all the information that I required.

ROUTINE PROCEEDINGS

[*Translation*]

PETRO-CANADA

TABLING OF REPORT ON THE INQUIRY ON THE PURCHASE OF PETROFINA INC.

Hon. André Ouellet (Minister of Consumer and Corporate Affairs): Madam Speaker, under Standing Order 41(2), I have the honour of tabling, in both official languages, the report on the inquiry on the purchase by Petro-Canada of Petrofina Canada Inc., in accordance with the provisions of the Canada Business Corporations Act.

* * *

[*English*]

PETITION

MR. FENNELL—REQUEST THAT PETRO-CANADA PERMIT THE OPERATION OF A FULL SERVICE STATION

Mr. Scott Fennell (Ontario): Madam Speaker, I have the duty to present a petition on behalf of my constituents. The purpose of this petition, signed by 651 citizens of the town of Pickering, is to indicate to the government the wrongful attitude of Petro-Canada to a hard-working lessee of a Petrofina station.

The nature of the petition is a plea from the customers that the government intervene on their behalf and demand that Petro-Canada permit this lessee to continue operating a full service station rather than a self-service gas bar, and be allowed to continue to offer full mechanical and maintenance service that has not only been profitable but serves his customers and my constituents.

Some hon. Members: Hear, hear!

* * *

CANADA LABOUR CODE

AMENDMENT RESPECTING THE PREVENTION OF STRIKES AND LOCKOUTS IN ESSENTIAL SERVICES

Mr. Otto Jelinek (Halton) moved for leave to introduce Bill C-644 to amend the Canada Labour Code, (strikes in public monopolies).

Some hon. Members: Explain.

Mr. Jelinek: Madam Speaker, I will quote briefly from the explanatory notes of the bill itself as follows:

> The purpose of this bill is to prevent strikes and lockouts in essential services controlled by monopoly corporations engaged in businesses under federal jurisdiction. Where management and labour failed to come to terms on a new collective agreement, the bill would render the report of a conciliation board binding on them.

This narrows down the legislation to focusing on the most damaging service sector of the economy, namely, the Post Office, which in its last strike cost the small business community alone a total of $3 billion.

Because this sort of legislation receives widespread support from all Canadians, I would hope it would receive the support it deserves from both sides of the House of Commons.

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

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, the following questions will be answered today: Nos. 3,169 and 3,490.

[*Text*]

PUBLICATION OF A CALENDAR OF MY COUNTRY

Question No. 3,169—**Mr. Thomson:**

> Was "A Calendar of my Country" published by the Canadian Unity Information Office and, if so (a) in how many copies (b) what was the planned distribution (c) at what cost and was the cost met from the budget or supplementary estimates?

Hon. Jean Chrétien (Minister of Justice and Minister of State for Social Development): "A Calendar of My Country" was published by the Canadian Unity Information Office

(a) in 250,000 copies,

(b) distributed with order forms to all Members of Parliament, Senators, a selection of youth organizations and educators across Canada; and to those who responded to advertisements in "Quill and Quire" and "Les Enseignants",

(c) the cost for printing was $116,800 and was met from the on-going CUIO operational budget for the fiscal year 1981-1982.

MOTOR CAR ALLOWANCE

Question No. 3,490—**Mr. Cossitt:**

> With reference to the main estimates for 1981-82 of the Privy Council, under what statutory authority does the government pay a motor car allowance to Ministers without Portfolio or to Ministers of State?

Hon. Yvon Pinard (President of the Privy Council): See Senate and House of Commons Act, S.43, (2)(a).

[*English*]

Mr. Smith: I would ask, Madam Speaker, that the remaining questions be allowed to stand.

Madam Speaker: The questions enumerated by the parliamentary secretary have been answered. Shall the remaining questions be allowed to stand?

Some hon. Members: Agreed.

* * *

• (1530)

MOTIONS FOR PAPERS

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, Notice of Motion for the Production of Papers No. 58 in the name of the hon. member for Rosedale (Mr. Crombie) is acceptable to the government. I ask, Madam Speaker, that the other Notices of Motions for the Production of Papers be allowed to stand.

Madam Speaker: Is it the pleasure of the House that Notice of Motion for the Production of Papers No. 58 be deemed to have been adopted?

Some hon. Members: Agreed.

[*Text*]

COPIES OF ALL STUDIES AND A LETTER RESPECTING FUNGICIDE CAPTAN

Motion No. 58—**Mr. Crombie:**

That an order of the House do issue for copies of all studies carried out or commissioned by the Department of National Health and Welfare into the possible health hazards associated with the use of the fungicide captan and for a copy of a letter sent on March 31, 1981, from Dr. A. B. Morrison, assistant deputy minister, Department of National Health and Welfare, to Dr. J. E. McGowan, assistant deputy minister, Department of Agriculture, urging that the use of captan be banned or severely restricted.

Motion agreed to.

[*English*]

Mr. Herbert: Madam Speaker, I rise on a point of order. It was two weeks ago that I asked the parliamentary secretary to look into Notice of Motion for the Production of Papers No. 34. It is a motion which requests communications in connection with trade, tourism and cultural exchanges between Canada and the Caribbean area. I drew his attention to the response I got from the Department of the Secretary of State, that they were awaiting a report from the subcommittee which is studying our relations with the Caribbean area, and I suggested to him that the production of these documents might be useful to the work of this committee. I wonder if he has been able to obtain an answer from the department as to why these documents cannot be produced.

Mr. Smith: Not at this point, Madam Speaker, but I will take note of the hon. member's representation and make further inquiries.

Mr. Friesen: Madam Speaker, I would ask that motion No. 69, which calls for the production of papers regarding gazetted order in council calling for the establishment of civilian internment camps, be transferred for debate.

[*Text*]

DOCUMENTS RELATING TO ORDER RESPECTING EMERGENCY PLANNING

Motion No. 69—**Mr. Friesen:**

That an humble address be presented to His Excellency praying that he will cause to be laid before this House copies of all correspondence, notes, minutes of meetings, memos, telegrams and communications relating to the Order Respecting Emergency Planning, P.C. 1981-1305, May 21, 1981, Registration SI/81-76 June 10, 1981.

[*English*]

Madam Speaker: Transferred for debate.

Shall the remaining Notices of Motions for the Production of Papers stand?

Some hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

CANADA OIL AND GAS ACT

MEASURE RESPECTING OIL AND GAS INTERESTS

The House resumed from Thursday, December 3, 1981, consideration of the motion of Mr. Bussières that Bill C-48, to regulate oil and gas interests in Canada lands and to amend the Oil and Gas Production and Conservation Act, be read the third time and do pass.

Hon. Erik Nielsen (Yukon): Madam Speaker, when I finished last Thursday, I was having quite a time of it with the socialist members here to my left. I was interrupted by the hon. member for Hamilton Mountain (Mr. Deans) who, I thought, was asking a question by the inch and, indeed, he was. I measured it and it was seven inches long. At a minute per inch that is how much of my time I gave to him in the debate. I hope he appreciates that. I hope he sits there and listens as a result of those interjections, particularly by the hon. member for Comox-Powell River (Mr. Skelly). I am sorry he is not here today. He must be at a committee or somewhere. He was assisted by the hon. member for Hamilton Mountain.

When I was explaining that they were not going to support this legislation but would vote against it, they agreed with that. I suggested the reason for that lack of support is that the measure does not go far enough, and they agreed with that. They want to see the bill go as far along the road to nationalization of this industry as possible. That is a rather hypocritical stance to be taking.

They asked in their interjections whether I care about the aboriginal people, and do I not care about environmental concerns. Indeed I do, but let them not be so hypocritical as to take the stance, all in support of the native peoples, that nothing should be done until native land claims have been settled in the Yukon and the Northwest Territories, and then turn around and say to the government that they want it to go further in this bill than it has. It seems to me these are mutually inconsistent stances. That is not unusual from that corner. Indeed, I often think they should instal another translation booth down there because, while their friends across the way in the Liberal Party understand their particular language, we have grave difficulty in understanding jibberish, and that is what usually comes from over there.

When I was speaking to the Prime Minister (Mr. Trudeau) about the uranium cartel, he made some interesting statements about that arrangement. He has allowed some tiny tidbits of information to slip out in his glib, offhand way. In off-the-cuff, carefully prepared press statements he has said: "Well, we cannot let out the information because that would be contravening the combines legislation in the United States, and we do not want to have our relationship deteriorate any more than it already has with that country." But what about the Canadian combines legislation? Are the oil companies not now under investigation by the Restrictive Trade Practices Commission? Are they not faced with accusations of doing exactly what this government is doing under those uranium arrangements? None of these matters have seen the light of day. They are just like what actually happened in respect of the Petrofina purchase; they will remain forever hidden as long as those hon. rascals stay over there. Surely these matters ought to be elucidated before the House conveys new major powers on the government. This government having done the things it has done, surely there is no limit to what it will do under this legislation.

Another major consideration about this bill is the matter of self-sufficiency. Government spokesmen, one after the other, have suggested that the bill will move the country toward self-sufficiency. That is bunkum. All the evidence points the other way. The government's so-called Canadianization program has exactly the opposite effect. It has driven capital out of the country in a flight unprecedented in modern times. We have heard the accurate statistics given by the hon. members for Calgary Centre (Mr. Andre) and Calgary South (Mr. Thomson). Canadianization has forced small Canadian companies to the wall. The 25 per cent back-in clause will remove from the remaining Canadian companies any opportunity for profitable operation.

Finally, the policy pursued by this government of increasing state intervention has antagonized our friends, our clients and our best customer, the United States. The United States sees in the philosophy of this legislation, which is only the tip of the iceberg, an objective that is not financial and not economic but, rather, ideological. The government is moving on a broad front to exert its authority in every area of economic and political activity in a way that no government in the history of this country has ever done before.

The government has interfered with freedom of the press, and it is in a position to threaten and intimidate the media with intimations of government control. The government has placed the economy in a straitjacket and destroyed the ability of the country to meet new economic challenges. The government has acted both illegally and arbitrarily in demolishing a large segment of this country's ground transportation system at an enormous potential increase in transportation and energy expenditures.

Meanwhile, in the energy field, serious problems involve bringing new sources on-stream and initiating the use of alternative energy resources. The bill does nothing to solve these problems. It merely reinforces the government's capacity to interfere, to intervene, to harass and to intimidate operators in the energy field. In the poll which was taken the other day on what Canadians feared most in this country today, 44 per cent indicated they feared big government, especially this government which is not worthy of any further trust. A government which has shown itself to be secretive, power-hungry, spendthrift, arrogant and dishonest does not deserve any new accretion of authority.

Those are some of the reasons why this bill should not be proceeded with at the present time.

• (1540)

I have tried to be entirely objective in my remarks last Thursday and now. My last plea is strictly a parochial plea, Mr. Speaker, and I would like the Minister of Indian Affairs and Northern Development (Mr. Munro), who, I understand, is speaking next in this debate, to explain his way around this, that what the government is planning with this bill will deny forever the control over resources to the Yukon and any province which might be created out of the Northwest Territories. Without that control, without those resource revenues, we can forget about ever becoming a province, and that minister has been a part of that plot and the philosophy to prevent it ever coming about. Let there be no mistake about that.

Some hon. Members: Hear, hear!

Hon. John C. Munro (Minister of Indian Affairs and Northern Development): Mr. Speaker, it was certainly nice to hear the detached and objective point of view that was given by the hon. member for Yukon (Mr. Nielsen). I noticed that he made some reference to the Petrofina situation. I do not know exactly what he had in mind. I, for one, am very interested in being explicit in the House. If he would care to be explicit in the House on some occasion and even explicit outside the House, it would be very interesting to see what he had in mind.

Mr. Nielsen: I will be explicit.

Mr. Munro (Hamilton East): I personally invite him to do so.

I will begin my remarks by indicating that I think an appropriate answer to this last challenge which the hon. member for Yukon set out that this legislation will deny forever the attributes of provincehood should it occur north of sixty—the ownership of resources and all its other aspects—is that it is obvious the hon. member knows different because if we were to think otherwise, it would make me think that, at least, the hon. member is lacking in any fundamental intelligence. I am sure all hon. members know that it is just not the case. We have far too much esteem for his astuteness and intelligence to accuse the hon. member for Yukon of being fundamentally stupid.

The fact of the matter is, and the hon. member for Yukon knows this, that the current situation in the Yukon and Northwest Territories is that they do not have ownership or management of resource areas. The hon. member has known that for some time. To change that situation would require legislation passed by the Parliament of Canada, and that is precisely the situation as it now is under this legislation. If we should face the fundamental question of making provinces out of the Yukon and Northwest Territories at some subsequent time or decide that not only full and responsible government should come to the Yukon—it has almost come to the Yukon now—then—

Mr. Nielsen: Rubbish.

Mr. Munro (Hamilton East): Well, I am sure that the hon. member did not think so when he was part of the previous government in which his colleague, the minister of Indian affairs and northern development at that time, came up with the so-called "Epp letter" that devolved a great deal of political responsibility to the Yukon, and, as I recall, the hon. member for Yukon had a good deal to do with it. It was most laudatory in terms of impact and full responsibility for the government of the Yukon.

Mr. Nielsen: A first step.

Mr. Munro (Hamilton East): He cannot criticize it now after praising it ten months ago. Perhaps I should rise on a point of order and talk about the fundamental contradictions—not alleged against the minister of housing from one day to another— but against the hon. member for Yukon for the number of his contradictions within ten minutes.

Mr. Nielsen: I invite you to do that.

Mr. Munro (Hamilton East): I would remind him again, and through him the people of the Yukon, that his bill has no impact on the status of ownership or management of lands and resources to any degree whatsoever. The situation remains entirely as it always was.

Mr. Nielsen: No control.

Mr. Munro (Hamilton East): It is for an act of volition on the part of this government and the government of the day, if it wishes to change that situation. That is the case now, as it has been since the Yukon and the Northwest Territories came into being.

Mr. Nielsen: That is exactly what we are complaining about.

Mr. Munro (Hamilton East): The hon. member says that that is exactly what they are complaining about. He attributed to this bill those qualities, clearly stating that this changed the rules of the game and created a new situation in his view. Now he is saying "exactly" when I said that it did not change the situation one iota. I wish he would make up his mind.

What we are debating today, Mr. Speaker, has had a lot of scrutiny over the last year. Aside from the required parliamentary examination, it has been analysed in the news media. The energy resource industry has carefully probed it in both letter and spirit. The provincial and territorial governments have taken a hard look at it, as well as the people for whom it has very immediate and great social meaning. I am referring, of course, to the northerners, native and non-native, who realize the importance of non-renewable resource development in their future.

If I may, I would like to use the time available to me today to set forth as clearly as I can some of the broad concepts of Bill C-48 and what it is going to mean to Canadians in terms of future energy and national economic growth.

It would be difficult to view this legislation in isolation from the National Energy Program which was introduced only two months before Bill C-48, almost exactly a year ago. In point of fact, both pieces of legislation complement one another. Both are integral components of an over-all government thrust aimed at eliminating Canada's dependency on imported energy supplies and in giving Canadians greater ownership and control over their own petroleum resources.

We are all well aware of the global economic convulsions resulting from the dramatic escalation of OPEC oil prices in the 1970s, to say nothing of the temporary interruption of the supply. Canada did not escape unscathed. Indeed, many economists say that we are still feeling the effects today.

Even before those traumatic events, there was widespread recognition in Canada that our existing oil and gas legislation was outdated. It goes back more than two decades and is utterly inappropriate to our current resource needs.

The legislation as it now exists does little to spur exploration and development of new sources of gas and oil. The legislation that we wish to replace makes no mention whatsoever of the needs and aspirations of our aboriginal peoples and does not have sufficiently stringent environmental safeguards.

It was against this background that the National Energy Program was devised. As hon. members are aware, the new legislation provides for incentives to encourage petroleum exploration and production. It establishes firm ground rules as to how these activities will be conducted and by whom. It will secure for the people of Canada an equitable share in resource development. It also makes clear that no resource development will be undertaken at an unacceptable cost to the environment.

At the same time, and most important, it provides that native Canadians must be given an opportunity to participate in and benefit from resource development in the north.

Mr. Nickerson: That is not in the bill.

Mr. Munro (Hamilton East): One thing that Bill C-48 does not do is prejudice the negotiation of native land claims settlements. The notion that it seeks to remove oil and gas rights from the negotiating process is simply not true. As a matter of fact, in view of the recent constitutional developments, it may be of interest to point out that Bill C-48 contains the following clause which hon. members will recognize from the constitutional resolution which is now on its way to England. It says:

Nothing in this act abrogates or derogates from any aboriginal title, right or claim that pertained to the aboriginal peoples of Canada prior to the coming into force of this act.

The government has been fortunate in receiving substantial input from northerners in preparing this legislation. Indeed, no fewer than eight of the amendments accepted by the government originated with the Inuit Committee on National Issues. Important contributions have also been made by the Dene Nation, the Council for Yukon Indians, the Métis Association of the Northwest Territories and the governments of the two territories.

● (1550)

One of the northern groups which expressed deep concern about the possible implications of Bill C-48 is the Committee for Original Peoples' Entitlement, commonly known as COPE. Its president, Mr. Sam Raddi, wrote to my colleague, the Minister of Energy, Mines and Resources (Mr. Lalonde), and myself seeking reassurance that the legislation now before us would not impinge upon the agreement in principle reached late in 1978 on the COPE land claim. On December 8, just yesterday, the Minister of Energy, Mines and Resources and I both signed a letter to Mr. Raddi, which I think has particular significance regarding aboriginal claims and the comprehensive claims of all the native peoples north of 60. The letter read in part as follows:

Bill C-48 does not interfere with existing aboriginal rights and specifically does not contradict the government's commitments under the COPE agreement-in-principle. More explicitly, we both confirm to you that neither Bill C-48 nor, more importantly, action taken pursuant to Bill C-48 will foreclose any element of a settlement arrived at with COPE on the basis of the commitment expressed in the COPE agreement-in-principle.

The letter went on to express our belief that the agreement in principle should be interpreted as including the 25 per cent Crown share to be created under Section 27 of Bill C-48. The Minister of Energy, Mines and Resources and I, therefore, added in the letter that it was the government's intention to provide for the transfer of these interests to the Inuvialuit in any final settlement based on the 1978 agreement in principle. This satisfied Mr. Raddi, after a history of much soul searching and unhappiness with respect to Bill C-48. He replied on the same date—that is, yesterday—expressing the gratitude of the Inuvialuit for our efforts which had, in his words, "resolved our long-standing concern" about the possible effects of Bill C-48 on the COPE agreement in principle. Mr. Raddi wrote that COPE would like to interpret our actions as an indication of "a renewed commitment on the part of this government to honour its agreement with us". I do not think I am being overly optimistic when I look forward to the resumption of negotiations toward the finalization of the Inuvialuit settlement.

Mr. Nielsen: Are we going to be involved?

Mr. Munro (Hamilton East): Yes, you will be involved, as you have been involved. If the hon. member is referring to the Yukon government, I am glad to hear him talk about involvement. The position paper we are ready to put to COPE has been advanced to the Yukon for its comments before it is put to COPE. We asked for the views of the Yukon government. I cannot think of a greater expression of our desire to involve the Yukon government. I will not comment on what happened after it was sent.

The government views resource development in the north as an ongoing process involving all levels of government, including those of the Yukon and Northwest Territories, the northern people and, of course, the private sector. A prime example of this ongoing process of involving all the key elements—the native peoples of the north and certainly the governments of the north—in terms of any type of resource development is the Norman Wells oil field expansion and pipeline project. I can point to no greater example than that. Hon. members might recall that, in relation to that particular pipeline project, there was a great deal of apprehension north of 60. People were concerned that the rights of native peoples north of 60 might be prejudiced. The Roman Catholic Church, the United Church of Canada, the Anglican Church of Canada and all the major church groups expressed grave concerns about the Norman Wells project. The leadership of the entire Dene nation and the Métis were expressing severe reservations about the Norman Wells pipeline project. It became symbolic of the polarization which surrounds any development project north of 60. It polarized the entire community—or it seemed to—in very real terms into pro-development and anti-development sentiments. In my view there was no greater challenge facing any government than that particular project in terms of opening up development in the north. Indeed, the forces of polarization had to be undermined. The community and the heretofore perceived adverse interests had to be reconciled so that that project could move ahead. Indeed, that is precisely what happened. A compromise was reached. The compromise was to approve the project but to delay its commencement north of 60 for a two-year period. This received the approval not only of the Northwest Territorial government but also of the proponents—the developers themselves—Esso Resources and Interprovincal Pipe Line. However, more important, it brought on side the very people who were most concerned about the impact of the project, the Dene Nation and the Métis. When the decision and all its elements were announced by the government, they supported the decision to go ahead with

Norman Wells. How was that done? It was an example and tangible evidence of the commitment of the government to involve northerners in every stage of the development of Norman Wells. There was a pattern to ensure that northerners would be involved in the development of the north. There was a package of joint ventures. Roughly $1.5 million were put up to allow, in this case northerners, to participate with the oil company whether it was with respect to oil rigs or other types of involvement. Over four years, $10.5 million were put up for special training to ensure that northerners participated in the actual construction of the pipeline and also in the running of the oil field. It was a management regime made up of northerners which would govern the day to day operations of the whole project. There was an advisory committee made up of northerners to advise the minister on the monitoring, from a political point of view, of the project throughout its entire history. There were social and community development moneys totalling $4.5 million put up to ensure that we could cope with the social and community fallout effects of the pipeline.

Mr. Nielsen: You did not even consult the northern government on this bill.

Mr. Munro (Hamilton East): What more tangible evidence can there be? Money was put up front so that the territorial government could provide an infrastructure for the pipeline. What more tangible evidence could there be of the involvement of northerners in a major project and a solution which brings on side the territorial government, the native peoples and the developers themselves than the proposal we put before them? Rather than specious allegations which have no foundation I am offering the people of the north concrete evidence that that can be done and that there was the political will on the part of this government to see that it would be done.

To achieve our 1990 goal of energy security and to maintain that position in the years ahead, an enormous and continuing capital investment in energy projects will be required. It is the intention of the National Energy Program to get Canadians fully into the oil and gas game for the first time in our history. The bulk of the necessary investment in conventional oil and gas will be generated in Canada as before but with a better balance of ownership. Some of our megaprojects such as those in the oil sands will, no doubt, require additional capital from outside Canada. Canada will continue to welcome such investments. The returns will be generous.

Bill C-48 is crucial to the development of long-term stability of oil and gas supply in Canada. The frontier regions may or may not help to meet a significant part of Canada's energy needs in the 1980s but we all hope they do, and passage of this legislation is essential if that hope is to have a realistic chance of fulfilment.

I would like to reiterate that Bill C-48 will be administered jointly by my department and the Department of Energy, Mines and Resources. With this in mind, the two departments will set up the Canada Oil and Gas Lands Administration—COGLA as it is commonly referred to—pooling the resources of each and reporting to myself and the Minister of Energy, Mines and Resources.

This legislation is designed to take into account and be adaptable to the concerns of native people and other northerners. It is also sensitive to the process of political change in the north. Again it is in no way intended to prejudice the outcome of ongoing discussions on major issues such as land claims and the political development of the two territories, each of which is important in its own right and deserves the benefit of full discussion and negotiation.

• (1600)

Bill C-48 is good legislation. It is good for the nation and its economy, good for the territorial governments, good for industry and, more particularly, it is good for the people who live in the north. As such, it deserves our support.

I thank you, Mr. Speaker, and I recommend this bill's adoption by my colleagues.

Some hon. Members: Hear, hear!

Mr. Peter Ittinuar (Nunatsiaq): Mr. Speaker, I am grateful that the government has been able to make an agreement with the Committee for Aboriginal Peoples' Entitlement. I am also happy that Mr. Raddi has expressed his gratitude. However, with regard to the rest of the north, it remains to be seen. I am afraid I am not going to be so kind, given the nature of this bill, to the Liberal side and other people in the country in general.

The invoking of closure is the latest testament to this government's apparent thirst for power over the Canadian north. Bill C-48 has rightly been called an unprecedented power grab by the federal government. I suppose it is only being consistent when the government tries to bring debate to a close with this type of procedural power play.

This bill remains unacceptable to myself, my constituents and all northern residents for a great number of reasons. Before I get into these in detail, I think it is important to again remind hon. members of the true significance of this bill. Only by viewing it in its proper historic context can we appreciate its potential impact on the country as a whole and the north in particular.

To average Canadians, the title of this bill makes it appear quite innocuous. It is just another bill before the House, people might conclude, but nothing could be further from the truth. It must be understood by the Canadian people and by members of the House that what we are seeing in the government's National Energy Program, of which Bill C-48 is the main plank, is a move to structure the economy in a way that is unparalleled since the days of the national policy of 100 years ago.

The original national policy was designed to exploit the resources of the west for the benefit of the dominant commercial interests in central Canada. While it contained a variety of measures designed to build up the national economy, two main elements characterized its approach to the western frontier.

One was the securing of control over the land and the other was the building of a transportation system to ship out the resources. When we look at the government's National Energy Program and the bill that is now before this House, it is obvious that a direct parallel exists between the national policy of the 1880s and the National Energy Program of the 1980s.

The purpose of Bill C-48 is to accomplish both of these goals, only this time on a different frontier. The designation of lands in the north as Canada lands is an explicit attempt by the government to solidify its control over those areas in preparation for the development it seeks to promote.

While in the west it was the CPR that was the main vehicle for extracting resources, in the north it will be pipelines and super tankers. By securing its control over the north with Bill C-48, the government is laying the legislative groundwork for these eventualities. I regret to say that we will probably be seeing them sooner rather than later.

There is reason for all Canadians, not just northerners, to be concerned about where the National Energy Program and Bill C-48 are taking us. Since the Second World War, this government has tried to tell Canadians that the best way to overcome our economy's traditional reliance on resource exports has been to invite Americans in to build up our industrial and manufacturing sectors. Now with those branch plant operations closing down at an alarming rate and the failure of post-war economic policies becoming all too apparent, the government is once again moving to make resources, this time energy, the centrepiece of Canada's economic development policy.

There are many elements in the bill which provide thinking Canadians with cause for concern, but I would like to touch on four in particular. They are ones which I and my colleagues in the NDP have been fighting the hardest since this bill was announced in the House.

Let me review first some of the deficiencies of this bill which should be of great concern, as I said before, to all Canadians. First, the bill is being sold to the Canadian people as a piece of legislation that will lead to the Canadianization of the oil and gas industry. As my colleague the hon. member from Vancouver-Kingsway (Mr. Waddell) has pointed out time and time again, this is a complete sham. For one thing, Canadianization implies to most of us that the industry will be under the control of the people of Canada. However, this is not what this bill will accomplish in the least. Instead, it will continue to promote the domination of the oil industry by a few large companies, including the multinationals.

When the government assures us with great nationalistic pride that its goal is to achieve 50 per cent Canadian ownership in the industry, it is perpetrating a sleight of hand on the Canadian public.

It forgets to tell the Canadian people that U.S. oil companies will still be able to have majority control of the oil industry through their subsidiaries. In effect, the only thing Bill C-48 will do will be to encourage foreign firms to set up dummy corporations within Canada to qualify for the lucrative tax benefits so willingly provided by this government.

The government is also taking great nationalistic satisfaction out of the proposed 25 per cent interest that will accrue to PetroCan. Does this represent any sort of progress when we realize that in 1945, for example, the government was taking a 33 per cent interest in Imperial Oil's activities in Norman Wells? The government would have us believe that we are coming a long way toward greater control over our own resources with this bill, but the "Mack Truck" loopholes and the gorgeous tax benefits to the major players in the industry will soon prove otherwise.

All Canadians also have reason to be concerned with the industrial benefits that will supposedly result from this bill, or should I say the lack of them? For a bill that supposedly sets the framework for national economic policy over the next quarter century, the lack of any provisions to ensure industrial spin-offs is a scandal.

In Norway it is clearly stipulated that 50 per cent of all contracts generated by oil and gas development have to go to domestic industries. In Britain it is required that 52 per cent to 57 per cent of all equipment orders have to be placed with British industries. What do we in Canada get? Only the stipulation that developers submit a plan "satisfactory to the minister" for the employment of Canadians and the use of Canadian goods and services. Flaccid criterion at best, Mr. Speaker.

If Canada is going to embark on a program to systematically exploit its non-renewable resources as fast as possible, the least we can do is to try to make sure the benefits get spread around as much as possible within our own country.

Canadians also have cause to be concerned over the potential impact on the environment that this bill will allow. First, it allows the minister in charge to completely usurp the responsibilities of the Minister of the Environment for protecting the environment on Canada lands. That is like putting Peter Lougheed in charge of aboriginal rights.

Some hon. Members: Hear, hear!

Mr. Ittinuar: There will be an unavoidable conflict of interest situation created by this, only now it will be resolved internally within the Department of Energy, Mines and Resources and the Department of Indian Affairs and Northern Development, depending on whom you believe. This can only serve to limit public information, public involvement and public accountability, and when push comes to shove, it is all too predictable where the government's priorities will lie.

What of compensation for peoples affected when the inevitable pollution occurs as a result of this government's rush to develop offshore resources? My good friend and hon. colleague, the hon. member for Skeena (Mr. Fulton) has been particularly effective in driving home the point that this bill is woefully inadequate in this regard.

The bill stipulates that people cannot be compensated for oil spills caused by the government, despite the fact that it gives

the minister explicit authority to allow such spills. It does not allow for people to be compensated for loss of future income as a result of environmental disruption. Of particular interest to my constituents is the fact that it does not allow for damages to property which is not privately owned. In short, it gives people whose lives depend on the protection of the physical environment very little protection indeed.

• (1610)

While there are reasons for all Canadians to be concerned with the directions being taken by Bill C-48, northerners and aboriginal peoples, such as myself, have particular reasons to be concerned. I see a smirk now on the faces across the way. I think that is why there are no Liberals north of 60. If there is a direct parallel between the national policy of the 1800s and the National Energy Program of today, what does this mean for us? Doctor Tony Clarke, of the Canadian Conference of Catholic Bishops, has pointed out, quite correctly I feel, that there are contradictions in the Canadian experience of national economic planning. He notes, for example, that:

> While attempting to be an instrument for nation building and economic independence, it often results in new forms of colonialism. Economic strategies are aimed at opening up a new frontier and exploiting its resources . . . The first victims are generally those for whom the frontier has been a homeland, namely, the native peoples.

With the opening up of the west under the national policy, there is no question that native peoples were the first victims. They are still the victims. Those who sought to defend their basic political and economic rights were dealt with by both the military and the courts.

Let me first deal with the process the government has used to get this bill enacted to illustrate the reasons for a lack of trust. Take the matter of consultation. There is seldom a day that goes by whereby a government representative does not wax eloquent about the need for consultation with aboriginal peoples on matters which affect them. Unfortunately, the extent to which they extol this principle has proven to be in direct proportion to their own unwillingness to live up to it. The introduction of the present bill provides us with perhaps the most shocking example of this. No single piece of legislation has ever had the potential impact on northern native peoples such as Bill C-48 will have. Yet, let me illustrate the kind of consultation that has taken place. I will read the words of Mr. Jim Bourque, the President of the Northwest Territory Métis Association, which described how he found out about Bill C-48. He said:

> I did not know anything about the bill. In fact the way I first ran across it was through a friend who got it in the mail with a little note from somewhere down here saying read this, because it is devastating to you guys . . . but as far as government officials are concerned, no, no one has ever spoken to us.

This was part of his presentation to the Standing Committee on National Resources and Public Works on March 27, 1981.

If this characterizes the extent to which the government has been willing to take native people into its trust in preparing this bill, Mr. Speaker, what right do we have to expect that things will be any better once it is in place? I am sorry to say there is more. At the same committee meeting, Mr. David Joe, of the Council of Yukon Indians, described how his people were not only kept in the dark about Bill C-48, but actually deceived. He spoke of a meeting between CYI and the Minister of Indian Affairs and Northern Development (Mr. Munro) which had taken place on December 6, 1980, shortly before Bill C-48 was introduced. The meeting was about up-coming land claims negotiations. CYI was pressing to have resource issues placed on the agenda.

According to Mr. Joe, the minister:

> —suggested to us that it would be appropriate if we discussed the matter with the government of the Yukon. He indicated there was no real federal policy, if you like, that was in his mind at that point in time. It is ironic that the bill was subsequently introduced perhaps two weeks after this discussion. It is apparent, to me at least, that the government had a strategy with respect to resources north of 60. But for him to forgo the kind of discussion we would have had at the table by simply saying we do not have a strategy at this time is in my estimation certainly bad faith.

These comments merely illustrate the lack of consultation prior to the introduction of this bill. The same lack of interest in northerners' views has been apparent while the bill has been processed through the House, particularly in committee. Most of the committee's time was taken up with hearing the views of industry. To say that they have an interest in the bill would be an understatement. The time given over to hearing the views of all northerners was small in comparison. In March, when a delegation of native leaders was appearing before the committee, a motion was moved by my honourable colleague from Vancouver-Kingsway which would have had the committee seek the permission of the House to travel north to solicit greater input from northerners.

Afraid to say no, I believe, in front of northern delegates, the committee, with the consent of its members from across the floor, approved the motion. Those who viewed the Liberal members' support with suspicion had their expectations confirmed at the very next meeting. With the native representatives safely out of town, the Liberal members of the committee immediately voted to rescind the previous motion. However, I believe that the northern people have been doing their part. In our efforts to clearly define our relationship to the rest of Canada before development pushes us aside, we have put together proposals for the sharing of economic wealth and political power in the north.

In the case of the Inuit, for example, we have proposed the creation of a whole new area of political jurisdiction within the eastern Arctic, which we hope would eventually achieve full provincial status.

We have said time and again, Mr. Speaker, that we do not want to exclude development from the north; we just want it to be carried out in a way that is compatible with our own cultural and economic interests. We plan to be living in the north long after the last drop of oil has been taken out. In the meantime, we do not want our culture and environment decimated for the short-term gains of others outside of the north.

We have been invited by the government to sit down and negotiate a resolution to our outstanding claims. Negotiations to me, Mr. Speaker, imply a certain amount of give and take. So far, from that side, we have seen precious little give and a

lot of take. Negotiations also require a certain amount of good faith on both sides. At the same time as the government is negotiating northern claims, it introduces this bill which is intended to make northern energy resources the basis for this country's economic development for the next quarter century. At the same time it is assuring native people in the north that everything is negotiable. It served notice to all of us that it intends to retain secure control over the resource wealth of the north, for the benefit of the so-called "national interest".

Since the bill was introduced a year ago, ministers of the government have been insistent that aboriginal claims would not be jeopardized by it. Recalling my comments regarding consultation, I have come to the conclusion that the more the government emphasizes a particular point, the less likely it is to be true. I strongly suspect that this will be the case with Bill C-48, regarding its implications for land claims, depending on who will be the next minister of Energy, Mines and Resources.

One of the most critical elements in any land claim negotiation is the question of ownership and control of nonrenewable resources. The Minister of Energy, Mines and Resources (Mr. Lalonde) has said to me in the past that Bill C-48 will not preclude anything in the way of settlement. He assures us that anything is possible and that the current legislation can always be changed to accommodate whatever is negotiated in the way of settlement in the future. However much I would like to believe him on this—and I hope he is right—I am afraid that the hon. minister is moving into the theoretical plane when he makes such remarks.

The government has been eager to offer aboriginal peoples assurances that the bill will not affect their claims. It says that it even has legal opinions to back up this belief. But when the Minister of Indian Affairs and Northern Development was asked in the House to present those legal arguments so that those who are skeptical can be reassured, he has refused to do so. If the legal opinions, in fact, support the government's contention, why should they have to be hidden and what does he have to lose by sharing them with us? One would think that it would be to his and his government's advantage if those legal opinions existed. In fact, his determination to withhold them speaks volumes about what must really be at stake for aboriginal peoples with the passage of this bill.

Throughout all of my remarks, Mr. Speaker, I have tried to draw the parallels between the National Energy Program of today and the national policy of the 1800s. I should like to conclude my remarks by again alluding to that parallel and say, if I may take liberties with the words of Frank Underhill, a noted historian, that "What this country needs is the moral equivalent of Bill C-48".

● (1620)

Mr. Dave Dingwall (Cape Breton-East Richmond): Mr. Speaker, once again I have an opportunity to participate in this debate on Bill C-48, the Canada oil and gas act.

Mr. Waddell: You are one of the few Liberals who is interested.

Mr. Dingwall: The main thrust of this piece of legislation was perhaps best summarized by the Minister of Energy, Mines and Resources (Mr. Lalonde) when he appeared before the committee, and subsequently when he spoke in the House. He noted the thrust of this legislation, and I think it is worth quoting him when he said:

> It is a key element of the National Energy Program. It will provide the framework for the careful management and successful development of the huge oil and gas potential of the Canada lands for many decades. And it will at the same time secure for the people of Canada an equitable share in that development while helping to ensure that it is carried out in a safe and environmentally-acceptable manner.

That is the thrust of Bill C-48, put very succinctly.

Before I go on to the substantive part of the legislation, I should like to deal with the process which has culminated in the bill coming to a vote.

There have been many opportunities for Members of Parliament to examine the legislation. In fact, we have been dealing with it for approximately one year. My colleagues and I have never objected to the lengthy and detailed scrutiny to which the legislation has been subjected; in fact, we have welcomed it. All Members of Parliament have had an opportunity to speak to the issues, to propose amendments and to vote on the bill at its various stages. In fact, to date 235 speeches have been made on this piece of legislation. The Standing Committee on National Resources and Public Works held hearings and considered amendments to the bill for approximately six months. During those deliberations, 140 witnesses were called to testify and some 70 meetings, lasting a total of approximately 130 hours, were held. Hundreds of amendments offered by all political parties were considered and over 100 were accepted by the government.

It is worth noting who the witnesses were. There were numerous representatives of the oil and gas industry, various witnesses from related industries and individuals from the academic community. We also heard the views, oral and written, of representatives of Canada's original peoples as well as elected representatives of the territorial governments. We heard submissions and various assertions presented by Members of Parliament from all three political parties. We heard the Minister of Energy, Mines and Resources and the Minister of Indian Affairs and Northern Development (Mr. Munro), as well as officials from the Department of Energy, Mines and Resources, the Department of Fisheries and Oceans and the Department of Indian Affairs and Northern Development.

I think it is worth reflecting for a few moments on who the witnesses were, and I think we should congratulate those who appeared before the committee and offered frank and, in many instances, helpful suggestions on how to make a good bill better.

The bill was in committee twice as long as the Foreign Investment Review Act and three times as long as the Banks and Banking Law Revision Act. The committee reported this bill to the House and debate resumed for several days in July. Since we resumed sitting in October, Bill C-48 has been the sole subject for consideration, with the exception of the Consti-

tution and the economy. We have been plodding painfully through 57 motions to amend the bill further. I remind hon. members that all of these motions were considered by the Standing Committee on National Resources and Public Works.

There are times when governments have the luxury of prolonged contemplation. There are times when governments can allow for prolonged and wide-ranging discussion, but ultimately the time for action and decision arrives. Canadians demand it. Canada's energy situation demands it, and I suggest the time is now. The motion before us today challenges this House to act. Let us not avoid this responsibility which is bestowed upon all Members of Parliament who are the representatives of the people of Canada.

Perhaps not every member of the House accepts every word of every section of the bill as it now stands. But every member of the House will acknowledge that the need for this legislation is great and that the time for implementation of this new regime is long overdue. The legislation which this bill will replace is over two decades old and utterly inappropriate to our resource needs today. This legislation does little to spur exploration and development of new sources of oil and gas, makes no mention of the aspirations of aboriginal peoples, and does not have sufficiently stringent environmental safeguards. I suggest that is perhaps one of the most important, substantive portions of the bill.

The urgency of this situation was recognized by a previous minister of energy, who attempted to replace this outmoded legislation in 1971. Unfortunately, that bill died on the Order Paper. The need for a comprehensive new regime governing the offshore areas and the frontier has been recognized by prominent members of the opposition as well. The argument was put quite succinctly by the hon. member for Etobicoke Centre (Mr. Wilson) who said in Parliament on December 11, 1980:

> The broad objectives of this legislation are worthwhile and certainly acceptable. One might go so far as to say that they are motherhood; they are intended to increase production and Canadian ownership, as well as to provide a very stable tax environment. I agree with the minister when he says that it is important to have this legislation. We have been waiting for it for about ten years now.

After criticizing the government for not bringing this legislation forward promptly, little did I suspect that a bill which the hon. member describes as important, and indeed, even as motherhood, would face prolonged obstruction and opposition procrastination for almost one year.

We on this side of the House have been very active. Members of the Standing Committee on National Resources and Public Works had an opportunity to travel to western Canada, although I admit the travel was limited. While there we had an opportunity to meet with the various sectors of the oil and gas industry, with some native persons and with some academics. I think it can be said that members of the committee from all parties became aware of the concerns of the people of western Canada in regard to Bill C-48.

In addition to the trip that the committee made out west, a number of members on this side of the House made a special journey to western Canada on their own time and at their own expense, to meet with additional individuals. We were given further information and were brought up to date on how these measures will affect people out there. I think that has had a tremendous influence on what is contained in the bill now before us.

Over the same year, we made significant progress on most aspects of our ambitious and comprehensive National Energy Program. As opposition parties demanded, we have achieved new oil and gas accords with the producing provinces of Saskatchewan, Alberta, and British Columbia. We have also begun serious negotiations with Newfoundland, Nova Scotia and British Columbia concerning offshore resources. Finally, we have established an attractive price for new oil from Canada lands which, taken in conjunction with the petroleum incentives program, will stimulate new exploration and production.

How can Members of Parliament justify their efforts to delay a bill which will encourage greater Canadian participation in the petroleum industry operating on Canada lands? The Conservative government of Alberta supports the Canadianization provisions of the National Energy Program. The Social Credit government of British Columbia supports the Canadianization provisions of the National Energy Program. The NDP government of Saskatchewan supports the Canadianization provisions of the National Energy Program. Moreover, judging by their acquisitions of Suncor shares, I suggest that the big blue machine in the province of Ontario supports the Canadianization provisions as well.

Finally, 84 per cent of Canadians support our government's Canadianization policy, as indicated in an opinion survey sponsored by the Canadian Petroleum Association.

● (1630)

I suggest that Conservative members of this House need to confer with their Conservative colleagues in Alberta. The New Democratic Party, which I have often referred to as the pink rump, should also consult with their friends in Saskatchewan. They will learn, as other Canadians have learned, that Canadianization is welcomed and, indeed, is an essential part of a national energy program.

I wish that opposition members would feel the same sense of accomplishment and achievement as I do. A decision which hon. members opposite have taken was well described by the hon. member for Comox-Powell River (Mr. Skelly) in his speech to this House on October 19, when he said: "We had to resort to a filibuster and to delaying tactics. This was hard on everyone, including government members who had to sit and listen". We all know of occasions where the opposition deliberately obstructs the work of Parliament, but rarely do hon. members boast of it so openly and brazenly.

Today I wish to tell the hon. member that we cannot sit and listen forever. We have not been elected to Parliament to provide him or his party with an audience, merely to sit and

listen, as he puts it. We have a responsibility to protect Canadians from the dangers of a volatile world energy situation. This responsibility requires action, not indecision. Both opposition parties have contributed to the delay of this bill. More than 120 hon. members have spoken on this bill in Parliament. The incurable disease I call PetroCan paralysis, a disease which numbs Conservative thinking and paralyses Conservative action, has spread from this aspect of Conservative energy policy to include all aspects.

Mr. Paproski: I have got to leave, I am sorry.

Mr. Dingwall: Let me quote from the former critic of the Conservative Party before he, too, fell victim to the PetroCan paralysis. Once again, speaking on December 1, 1980, during the debate on this bill, the hon. member for Etobicoke Centre (Mr. Wilson) said:

> This delay is shocking . . . It is irresponsible to expect companies to operate in an environment when they have no idea what the ground rules will be . . . This delay . . . going back to 1970, has cost Canada valuable years in reaching oil self-sufficiency. It is important that we get on with the job now.

From the start, we recognized the need for long, intensive and comprehensive consideration of Bill C-48 in all its challenging complexity. We have also allowed for the necessary time to debate this bill, and more. We have demonstrated the high degree of flexibility appropriate for such a bill. We have accepted advice regarding amendments from a variety of sources. I think it important that we recognize the contribution of all Members of Parliament, particularly those in the National Resources and Public Works Committee. In addition, we should single out two persons, the Parliamentary Secretary to the Minister of Energy, Mines and Resources (Mr. MacLaren), as well as the Minister of Energy, Mines and Resources himself, for demonstrating that high degree of flexibility and receptiveness to changes as they relate to amendments to the bill.

I must say that we are not grateful for the hindrance we have also received from some quarters in this House at certain points in the process. At this late stage, we do not accept the prospect of further undue delay. The process is now drawing to a close, a close which is every bit as necessary as the preceding stages of consideration which have assisted so much in making a good bill better.

As I have already suggested to hon. members, we are not talking of a process lasting one year to date, but one lasting more than ten years since notice was served of the intention to update this legislation. In neither the specific case of Bill C-48 nor in the longer-term search for a new regulatory regime for the Canada lands can hon. members make a serious case for being the victims of unseemly haste.

In the final analysis, the test of whether and when this bill should be passed is not that we have fulfilled a need for full and fair consideration. The real test is the content of the bill itself. This bill passes this test at every crucial point in the challenge of meeting Canada's energy needs for the next ten years and beyond.

We have heard a great deal about the number of witnesses who appeared and the amount of time Members of Parliament spent on this particular piece of legislation. However, I want very briefly to touch on a few amendments and proposals which were made in committee by hon. members opposite and on this side. An amendment was proposed to change the definition of "significant discovery", in that particular section to read:

> "significant discovery" means the first well on a geological feature that indicates by flow testing the existence of hydrocarbons in that feature and, having regard to geological and engineering factors, indicates the existence of an accumulation of hydrocarbons that has potential for production.

Mr. Waddell: Read that in English. It would help the companies, too.

Mr. Dingwall: In addition, there were amendments to the exploration agreements and the PIR, the progressive incremental royalty. The PGRT was accordingly amended to make it deductible. Of course, the environmental studies revolving fund, as I said earlier, makes a very important provision in this particular bill. If amendments were made to that, I am sure the fund could be applied on a region by region basis.

There were other suggested amendments which were considered. One particular area of concern raised by committee members and by those individuals who had appeared before us was the provision relating to the industrial benefits. I am happy to say that there were modifications to the industrial benefits provisions which clearly stipulate that Canadian manufacturers, consultants, contractors and service companies will have a full and fair opportunity to participate competitively in the supply of goods and services.

Mr. Waddell: That was a retreat.

Mr. Dingwall: This particular provision has great significance for Canada, because if we are to rid ourselves of the label of a have-not province, or the have-not provinces, we will have to take advantage of that opportunity which is about to come in the oil and gas industry so that we can provide meaningful employment to the people in Atlantic Canada and they, too, like other Canadians, will have an opportunity to build homes, raise families, and prosper in society.

In addition to this particular provision, I have referred to the Canadianization provisions. The minister has included, in this particular bill, a provision in Section 5(6) whereby advisory bodies can be set up at his discretion. This is important because in the administering of this particular act there would be situations where it may be necessary to consult with certain people in the industry, to consult with various native groups, fishermen or what have you, to make certain that the provisions of the bill are being carried out with the intent that we all know.

The final comment that I would like to make in terms of the substantive portion of the bill concerns the absolute liability provisions. As an hon. member from Atlantic Canada, I am very pleased that that particular section dealing with the claims which may or may not be made by fishermen is written

in the way it is. The absolute liability regime where no proof of fault or negligence is required to establish liability is indeed a far-reaching measure. Closer examination of the relative provisions, however, will reveal that the liability under the bill applies regardless of whether this bill is authorized or unauthorized. For Your Honour's edification, that was a particular point which I think all hon. members would agree had to be clarified, and I am happy to say that it has been clarified to the satisfaction of all hon. members.

The liability provisions include not only damages resulting from spills, but also compensation for damages resulting from debris on the ocean floor. Another significant feature of the liability and compensation scheme is the inclusion of loss of income, including future income, in the definition of actual loss or damage. I must emphasize that this provision goes beyond the basis for the award of damages under the common law and, in my view, is unprecedented in any similar type of legislation.

Bill C-48 is crucial to the development of long-term stability of oil and gas supply in Canada. The frontier regions may or may not help to meet a significant part of Canada's energy needs in the 1980s, but I believe all hon. members hope they will. Passage of this legislation is essential if that hope is to have a chance of realization. However, we know the longer future of oil and gas development in Canada lies in our untapped frontier regions where the bulk of our conventional oil and gas resources are projected to be found. The time for making that future possible is now. That is why the regulatory stability to be provided by Bill C-48 is so essential at this time. There is an enormous, emerging momentum building up for exploration in the frontier. With the help of Bill C-48 and a number of supporting initiatives in the National Energy Program, we will soon see this tremendous potential being harnessed at precisely the optimum moment in our history.

• (1640)

The National Energy Program provides an opportunity for Canadians to begin to participate in the development of their own oil and gas resources on a grand and growing scale. That is the only scale of participation sufficient to ensure that the benefits of frontier oil and gas development are sufficiently great for Canadians to justify the high costs of this undertaking. I need hardly add that a major share for Canadians in frontier oil and gas opportunities is also essential to the goal of fairness in sharing the benefits of petroleum industry growth. Canadians are more than ready to do this job in co-operation with those companies, mostly foreign owned, which currently hold the bulk of the promising acreage in the frontier.

Bill C-48 and supporting national energy initiatives provide a regime second to none in the world for both Canadian and foreign investors to build a truly outstanding store of usable energy and energy wealth, for themselves and indeed for all Canadians.

Members of this House know that the goal of enhancing Canadian participation in frontier oil and gas opportunities could hardly command a greater degree of public support. Hon. members also know, indeed they have told us repeatedly, that the existing regime for frontier oil and gas was simply not getting the job done either for Canadian participation or supply development.

I believe the need to act expeditiously will be apparent to anyone with a real desire to see Canada begin facing the frontier oil and gas challenge in full measure. That is why I have not the slightest hesitation in supporting a measure necessary to ensure that this bill is carried forward in an efficient manner with all due regard to both the responsibilities of this House and the energy needs of the nation. The time is now.

Mr. G. M. Gurbin (Bruce-Grey): Madam Speaker, I am pleased to speak during the final moments of debate on Bill C-48. I believe the two main points that should be discussed have been identified by the previous speaker. The discussion has to centre on both the mechanism of closure and also some of the aspects of the substance of Bill C-48.

Before getting into those two major points, I want to spend a little time on points made by earlier speakers, particularly those contained in the speech made by the hon. member for Cape Breton-East Richmond (Mr. Dingwall). He mentioned Canadianization. It should be very clear to people across Canada that the Progressive Conservative Party strongly supports Canadianization. What we have a great deal of difficulty with are the types of measures in this bill and the types of things that have been done so far by this government opposite which do not represent Canadianization but represent, or may represent, nationalization, more government involvement, more interference and more difficulties down the road in terms of developing our industry.

Just as an example of the kind of difficulties that can occur, I will mention Petrofina because that company has been referred to today. I can think of a case in my own constituency concerning Petrofina. An honest dealer who works for another oil company wanted to start up a gas station. He bought land, part of which was owned by Petrofina. This dealer cannot now open up a gas station because Petro-Canada has control of the land. The dealer has asked for release, and there is not another gas station in the area and they will not give him the release. Therefore, this dealer has been prevented by Petro-Canada from earning a living on the basis of the Petrofina purchase. This is just one example. There can be more of these sorts of things as we see more and more direct government involvement through Crown corporations. This should be of real concern to all Canadians.

I believe the previous speaker repeatedly mentioned closure and he ended his speech with the words "The time is now." There would be no argument from this side of the House that it is high time that legislation be brought in to deal with programs that have occurred in the oil and gas industry, but that is not the point. The question is, what changes should be made? The hon. member made reference to the red rump. We in this party make many references to the red rump. We identify them as the red rump of the sheep on the other side of the House. I just point that out because I want it to be clear.

The hon. member for Nunatsiaq (Mr. Ittinuar) mentioned the potential impact this bill will have on the people north of 60. I think the impact with which we are faced will affect people on the east coast, the west coast and all across Canada. We share his concern about the potential impact this bill will have on all Canadians.

I will turn now to the comments made by the Minister of Indian Affairs and Northern Development (Mr. Munro). He had about five major points. The most telling one was the denial he made that this bill in itself represents in any way an infringement on the fundamental rights of Canadians or Canadian companies to own property. There can be no argument that this bill and its main impact with its retroactive 25 per cent back-in provision on Canada lands leased by oil and gas companies represents an infringement on the ability of Canadians and Canadian companies to own property. This kind of thing is in keeping with the general tone of government policy today, and it is something to which I will return in a few moments.

The second point made by the Minister of Indian Affairs and Northern Development concerned existing legislation. It should be pointed out to the Canadian public, and it should be clear to the Liberal Party that forms the government, that governments in power since the oil embargo of 1973 have not reacted properly when it was clear that major changes were needed. It was the responsibility of Liberal governments to make changes to legislation. It is their fault that we are now faced with a crisis. They are now saying that they can use this bill as a justification and a rationalization for closure.

The Minister of Indian Affairs and Northern Development said that this bill in some way will help to provide Canadians with an equitable share of the oil and gas industry. But what it has done is provide the Liberal government with the major return. Canadians are faced with terrific increases in prices across the board for heating oil and gasoline. There is another 50 cents that will be added in the coming year. Canadians are not the ones who are getting an equitable share. The Canadian government is because of its profligate ways and its horrendous borrowing, the Liberal government having had to raise revenue. The Liberal government is the major beneficiary of this so-called equity.

As a result of recent changes in oil and gas prices, the revenue from a barrel of oil is divided as follows: the federal government receives $18.50, the Ontario government receives $8.32 and the Alberta government receives $7.56. Who is paying all this money? The Canadian public. But the federal government reaps the major benefit.

The minister talked about protection of the environment. I believe he talked in a very supportive way of the legislation and the fact that it would provide the safeguards and make sure the environment was respected. At the same time, he neglected to talk about the discretionary powers and the track record of this government in terms of environmental protection. The most glaring example is the government's effort in Toronto to remove radioactive soil and dump it in the Camp Borden area. That is the kind of environmental sensitivity this government has, and this is the kind of thing we have to be concerned about when we look at the protection the environment might have under this type of legislation, particularly in view of the discretionary powers of the minister.

● (1650)

Finally, the major point he was trying to make was that this bill would in a major way help to achieve energy self-sufficiency. The goal of energy self-sufficiency was first established by the Progressive Conservative Party in 1979. This was a policy the whole country could relate to, one the importance of which is known to the people. In fact, we did not have an energy policy in Canada until that government made this a major goal. We had not had the need for energy self-sufficiency in this country identified until that time. That was a goal we established. It is a goal that the party and the government opposite are now the beneficiaries of, and it is one I think we all hoped we could achieve.

The fact is that the mechanism for achieving this goal is something that will not only be avoided by this kind of bill, but it is something which is continually thwarted by a number of measures brought in by this government, the most recent of which is the budget. I will return to that in a moment with figures to show where we will be in energy self-sufficiency with our shortfall. This bill clearly is not going to help satisfy any of those goals. In fact, it has had a net negative effect.

I should like to return for a moment to the background of the conditions we are now facing as we look at this bill. Bill C-48 is certainly one of the flagships of the government's National Energy Program. If we want to consider an example of government flagships, and we had time, we could think about the Canadian navy and how well the flagships of government activity in that field have served us. The dedication the government has given the Department of National Defence in its support for that department over the last number of years does not speak well for this measure if it is to be the flagship of the National Energy Program.

We have had at least 13 years of successive Liberal government policies in relation to energy and the economy which have today put our country into a situation which everyone knows compares only to that of about 30 years ago. We are experiencing a most severe recession, and statistics revealed today show that it will probably be worse next year. That is the kind of thing nobody likes to hear. It is the kind of thing that is entirely unnecessary, but it is the consequence of the policies of successive Liberal governments.

It is difficult for members of this party to accept the kind of promise made by the party opposite at election time. That government has made promises in respect of cheap gas, cheap heating oil and lower interest rates. All those promises have proved to be like the promise in respect of wage and price controls. They were promises made in order to get elected but never kept. This government goes on in ways which get us into deeper and deeper trouble.

The economic climate of this country is certainly depressed, and it is depressing to talk about it. The fact is that those

people who are now unemployed and those who face the loss of their jobs in the coming year must know that this Liberal government is responsible, and that as a country there is no need for our being in this situation. It is not necessary because, since Canada became a nation, we have had the resources and the opportunity to move ahead. What we have not had is the kind of direction needed to maximize the potential to put us in the position of having full employment, and the energy security, optimism and hope for the future which I think all Canadians deserve.

I should like to turn now to the mechanism of closure. I guess the most dramatic use of the mechanism of closure I have experienced was last summer when we sat here in the House of Commons in an effort to achieve in some way a quick and effective resolution to the Post Office strike. At that time, as the opposition was mounting pressure on the government to get something done to achieve a conclusion to that situation, this government brought in closure. We wanted a conclusion to that strike whether that meant legislation, which this party would have supported, or something else. The government has legislated postal workers back to work in the past. We wanted that conclusion even if it meant taking away the right to strike from essential services, something which I think all Canadians would support. What this government chose to do, at a time when business was reeling from the pressure of high interest rates, when small businesses were going bankrupt and faced a total loss of $3 billion, was to bring in closure. Perhaps it was because the weather was too hot outside and therefore we were still sitting in the House of Commons, but whatever the reason this House used closure and prevented us from terminating that Post Office strike.

This government has actually brought in closure nine times since 1979. One occasion when it brought in closure before last summer which strikes me as being dramatic was after two weeks of debate on the Constitution. At that time the government felt it was justified in using that measure. I do not know how the comments of the previous speaker related to that time, that period of two weeks when we were considering an entirely new constitutional framework for Canada. I do not know how hon. members opposite can justify, rationalize or square the use of that measure with the people of Canada. I do not know how individual members of the Liberal Party can go back to their constituencies and justify the government's continual use of this mechanism which in fact overrides the democratic principles upon which this House functions. I think this was expressed best by the hon. member for Calgary West (Mr. Hawkes) a couple of days ago. He said that members opposite will have to justify this use of closure by the government in relation to important national issues; they will have to justify overriding the democratic process of this House of Commons.

Perhaps another use of closure that will come to the minds of many Canadians was during the pipeline debate. In that regard it was interesting to hear the Minister of Energy, Mines and Resources (Mr. Lalonde) make an announcement, as a result of a question in the House by one of his own members, about the passage by the United States government of measures which will in fact secure the ongoing development of this pipeline. The thing that surprised us on this side of the House is that hon. members opposite should have been so relieved. We had so many guarantees for so long regarding the construction of this pipeline that there seemed to be no problem, at least to us on this side of the House. For that reason it was with a little bit of confusion that we received that announcement through the efforts of that Liberal backbencher. Perhaps the minister had a reason for making this announcement today, in spite of the fact that he has given us repeated assurances that everything was A-OK.

● (1700)

As this program is part of the ongoing implementation of Bill C-48, I think the initial reaction to the total program by different sectors in varying regions of Canada was that it had some favourable measures. Canadians from central Canada were among the first to give their initial reaction to this bill and they indicated that, on the basis of the National Energy Program, they expected energy security and less expensive oil and gas. They anticipated an end to the difficulties which had existed for several years in trying to negotiate agreements between the federal government and the provinces. I cannot speak for the people of Quebec but it appeared to be a beneficial program according to the people of Ontario. I believe this same attitude was reflected as well in eastern Canada.

However, the realization evolved that this program was not going to solve all the problems. In fact, more problems were created which became evident by the fact that it took at least another year to reach an energy pricing agreement. When that agreement was reached last fall, the consequences were entirely different from what most people in central Canada had originally hoped for.

I think the government has done a very wise thing politically by selling to the Canadian public all of the ingredients of this legislation under the name of Canadianization and presenting it as a single package. It is a complex and difficult issue to understand, and to present it in the name of Canadianization is a term which is very well accepted. Hon. members opposite know that this party strongly supports the intent of the word "Canadianization".

As far as the reaction of industry and the people at large in western Canada to the National Energy Program is concerned, I believe that their awareness of the consequences was much greater. Their appreciation of the results and their concern for some of its difficulties was greater initially.

In many ways, some of their fears and concerns were proven to be valid because the minister had to make adjustments to some of the provisions in order to accommodate the realities in terms of prices which would help the industry survive. These changes were necessitated by the increasing number of rigs and workers leaving Canada because they could not function in an uncertain environment, one in which there was not a guaranteed return on their investment. I think this was a major factor the minister had to deal with in terms of making

adjustments which were reasonably equitable to the country as a whole.

I would like to talk about the initial reaction to this program by the industry. For example, the executive of TransCanada PipeLines wanted to see the implementation of the more favourable parts of the National Energy Program and thought that the program as a whole was legitimate in terms of the country trying to develop a sense of national identity, that it was not something which needed to be feared but needed to be developed. It is clear from recent public submissions made by executives of TransCanada PipeLines that some of their worst fears, which were not initially revealed, had been realized. They now know that the net impact of the National Energy Program has been negative and will continue to be so unless more adjustments are made to it. There are other examples which I will not go into right now.

I would like to discuss further the self-sufficiency aspect of this National Energy Program by quoting what Woods, Gordon have to say about the effect of the National Energy Program and self-sufficiency. Woods, Gordon states:

> The NEP document states, "it would be premature and unwise to count on the frontier to solve the oil supply problem". A CPA forecast (which does not include frontier production or new tar sands production) results in a shortfall of 740,000 barrels per day by 1990.

That is at least double, if not triple, the shortfall we have today.

As we continue, in spite of the fact that the Liberal government has almost turned consumption off—not because of conservation but because they have restrained business so much that they do not need any more—we have a situation now in which, if we were in full production of oil and doing what is possible, the shortfall that was feared in the last several years would still be apparent and real. The conservation measures which have been attempted are starting to have an impact now, and as much as hon. members opposite deny this in their remarks and their philosophy, the increased business price has had more to do with that than anything else. The Liberals fought an election on this and now they are again the happy beneficiaries of the fact that Canadians will turn to less use of oil and gas, and will use smaller cars because they cannot afford the prices which the Liberals have heaped upon them.

Another result of this so-called Canadianization program which has been undertaken has been a large outflow of capital from Canada. The figures vary but the latest figure I heard mentioned about a month ago about the outflow of capital from Canada was $10 billion, money which has gone to the United States and possibly other countries. This is a result of the effort to achieve more Canadian ownership. There has been an increase of Canadian content in the oil industry of from 27 per cent to 31 per cent. One of the serious consequences is the enormous pressure put on the Canadian dollar and the interest rates which this reflects. It is my hope that the Minister of Finance (Mr. MacEachen) has taken this situation into account, because it appears that the government has to slow that process down to reduce competition for capital in Canada so that we do not face continuously the kind of economic pressure which our economy cannot stand today.

While the goal of increased Canadian ownership is admirable and one which would be supported by all sides of the House, the speed and amount of capital required to meet this goal is something the minister must take into account while doing his economic planning.

As this discussion culminates I think what we will see as the result of this program during the short time it has been in existence—approximately a year—is higher prices than we have anticipated. There has been no real improvement in our ability to be self-sufficient. There has been an aggravation to the economic recession we are in and Bill C-48 now takes us into an area in which the government is retroactively confiscating property.

• (1710)

This bill will increase ministerial discretion in the entire energy field. We have here a major move by the government to become intimately, aggressively and completely involved in the energy system in Canada. I would like to put that into the context of things that have happened over recent years in this country. That context has a very important message in terms of where this government is going and where the Canadian people can expect to be in the future if the government continues in power and on the same course it is on now.

In spite of the concern of New Democratic Party members that the government is not involved enough, through its budget the government is now more involved and taking more out of our gross national product than ever. It is more involved in a financial way than it has been at any time since the end of the Second World War. There has been a succession of measures taken by this government, which I am sure has been influenced enormously by senior civil servants. The government is involved in social programs to an extent never achieved before. The government is involved in health care and in all parts of the social system in an almost complete and total way, to the point where private involvement is very, very limited.

Now the government is involved in the energy system. Granted, it is involved just by way of introduction at the present time, but through this bill and the remainder of the National Energy Program there is the potential for almost total involvement. The government has the potential to control the entire energy system.

The final step—and this is achieved through budgetary measures—is government involvement in business and the financing of small businesses and farmers all the way up to larger businesses and large corporations. I am sure hon. members opposite can respond to that, but I think the important proof of that is what happens in terms of the ability of the individual to own property. The Constitution has been the subject of a considerable amount of discussion lately, and I will not try to put this matter into that context; but there is no question that the ownership of property is not guaranteed by the Constitution.

There are some hon. members opposite who suggest that some of the budgetary measures were not a mistake but that they came at the wrong time; they are really what they wanted but at the wrong time. That is one point of view, but the more worrisome point of view is that those measures were not a mistake and really were designed and intended.

With respect to the ability of the individual to own property, I think some of the measures in the budget should be of major concern to all Canadians. I will not go into technical details, but I will mention the capital cost allowance changes, the changes in the capital gains tax, the changes in the income-averaging annuities and the changes respecting the ability of an individual to give a mortgage to somebody who wants to buy his business. Within a very few years all those changes will have the net result of making it almost impossible for an individual to buy a business or a farm. Those changes will make it undesirable for many people to retire on farms. There will be a tremendous impact on people who want to own property.

The government has taken the last step in the budget. It has taken the last major step into that wonderful world of socialism. Canadians across the country should recognize this and understand it. I suppose it is a cause for glee among some hon. members. While their motives are honest and while in their responses they can jest, what is happening is a tragedy.

If there are any examples of independent business left in this country, one is the example of independent cattlemen. They are the last free enterprisers. They do not have a marketing board. They have been doing their own thing. There are many who would accept marketing boards, there is no question about that, but the unfortunate thing is that they are looking for government grants. Businesses are looking for government grants. The government will have to provide grants in order to make it possible for people in this country to survive. Who will handle the grants? Who will tell the people who get grants what to do? I think there should be a major change. Perhaps there will be a tax revolt. It is clear that we in the official opposition will not get support from hon. members on my left, but perhaps we will be able to do something. It is unlikely that we can precipitate an election before its time, but there is a groundswell across the country. There is a gradual indication of discontent. Small business people are the first to make it known, along with insurance people and people who are feeling negative effects now. They understand the consequences of some of the measures in the budget.

I think Canadians want the self-respect and the dignity they should be able to earn. They want the tools to be able to function within a free enterprise economy. This government continues on its present course at its own peril. The Liberal caucus continues to support its Minister of Finance at its peril. I hope this situation can change soon. I am not completely in despair, and I am glad to have had this opportunity to express my concerns.

The Acting Speaker (Mr. Blaker): The Chair recognizes the Parliamentary Secretary to the Minister of Transport (Mr. Bockstael).

Mr. Hawkes: Mr. Speaker, I rise on a point of order. I had the corner of your eye, but I would like to point out that this bill is being discussed under closure. Recognition of the parliamentary secretary indicates that there will be three full speeches from the government side on this, the last day for discussion of this bill, and we in the official opposition will have the opportunity to hear only one full speech and the remainder of a speech which began on a previous day. I wonder if Your Honor might reverse the recognition order, or perhaps government members will agree to split the remaining time so that we might at least have an opportunity to be heard on this last day under closure.

The Acting Speaker (Mr. Blaker): The hon. member does not have a point of order in the sense that he requests that the Chair change the usual rule. The Chair looks to left and right alternately, and there is no way around that. Hon. members to my right have a right which cannot be disposed of by the Chair. If the hon. member wants to try to make arrangements with the party to my right either to reduce the time for speeches or to alternate in some different way, the Chair would of course recognize such an arrangement. That might take a couple of minutes, and I suggest I begin by recognizing, as I should, the Parliamentary Secretary to the Minister of Transport.

Mr. Robert Bockstael (Parliamentary Secretary to Minister of Transport): Mr. Speaker—

Mr. Taylor: Why did you vote for closure if you wanted to speak?

Mr. Bockstael: —I am grateful for this opportunity to speak on Bill C-48.

Mr. Taylor: Why did you vote for closure then?

Mr. Bockstael: I shall review with hon. members the reasons for the government's conviction that this legislation and the management regime it establishes are essential to vigorous and responsible oil and gas development on the Canada lands.

Let us turn for a moment to the main elements of the new regime set out in Bill C-48. With respect to land management under Bill C-48, there will be stiffer work requirements through negotiated exploration agreements that include firm drilling commitments. The new management regime will provide a greater degree of control over the timing, direction, rate and level of exploration and development. This will be achieved through earlier release of proprietary information and prior approval of transfers and assignment of rights and drilling orders. The Bill also provides for ministerial authority to order production to commence and be delivered to Canadian markets in quantities and at prices specified in the order.

In terms of employment Bill C-48 will require, through negotiated exploration agreements, that companies submit detailed manpower plans which must include advance specification of labor requirements and sourcing, recruiting procedures, training programs and local hiring programs. Companies will need to establish and maintain close contact with the

Canada Employment and Immigration Commission in the development and implementation of the plan. Thus we intend to ensure that Canadian workers have an opportunity to contribute their skills to developing oil and gas in the Canada lands. We will also require that the companies submit a procurement plan to ensure that Canadian manufacturers, consultants, contractors and service companies are given a full and fair opportunity to participate on a competitive basis in the supply of goods and services.

● (1720)

In the National Energy Program we were emphatic that decisions on energy development in the north would respond to the concerns of the native people. Despite this commitment, some native groups have expressed concern about Bill C-48, in part because they fear that development fostered by the new regime could prejudice their interest in land claims negotiations. The natives are asking us to prove our good intention.

Mr. Friesen: On a point of order, Mr. Speaker. Beauchesne at page 101, rule 309, reads as follows:

It is a rule in both Houses of Parliament that a member must address the House orally, and not read from a written, previously prepared speech.

I do not mind if the hon. member has copious notes. We know he can read. We would like to hear an extemporaneous speech from him rather than a parliamentary secretary's or bureaucrat's speech.

The Acting Speaker (Mr. Blaker): This particular occupant of the Chair has had occasion to deal with this point of order before. The hon. member for Surrey-White Rock-North Delta (Mr. Friesen) is perfectly correct; members are encouraged to avoid reading speeches verbatim. The difficulty that the Chair faces, whether it be myself or some other occupant, is that if the House wishes to instruct the Chair that this rule is to be followed, the Chair will instantly and with great pleasure do so; but it will apply equally to all members of the House at all times.

I would recommend that the hon. member give some thought to whether indeed that is the rule he would like applied to members on all sides. If that is the case, I am sure the Chair will be notified of that. Aside from being astounded and delighted, the Chair would be pleased to put that into effect immediately. I suggest that some consideration be given in caucus to that matter before the hon. member asks me to make a decision. If the hon. member wants the rules applied, I will apply them.

Mr. Taylor: I rise on the point of order, Mr. Speaker. The hon. member is simply reading what somebody else wrote. That is completely contrary to this rule. I ask him to close his notes and give his speech. He can not do it. He is reading word for word. Somebody else wrote that speech and he knows it. Also, they vote for closure and then try to waste our time. Why did you vote for closure, you bunch of hypocrites?

Some hon. Members: Oh, oh!

The Acting Speaker (Mr. Blaker): Order, please. The point is entirely irrelevant. If the hon. member wants to read the collected works of Shakespeare word for word—

Mr. Taylor: Shakespeare didn't write that trash!

Some hon. Members: Hear, hear!

The Acting Speaker (Mr. Blaker): The point would still remain that the issue is not the author of what an hon. member may refer to but rather whether or not he is reading a speech. I can add no more to what I have already said to the earlier member who rose on the same point of order.

Mr. Friesen: Mr. Speaker, I hope that we can take seriously your statement that you are reserving judgment and that we can have a judgment on this later. Since you quoted the eminent Mr. Shakespeare, he said that brevity is the soul of wisdom.

An hon. Member: Wit.

Mr. Friesen: Or wit, which was the contemporary definition of wisdom. When we have this hon. member reading a prepared text, the speech may have a lot of qualities but brevity will not be one of them. We would prefer some wit and wisdom coming in the nature of brevity from this member.

Mr. Bockstael: Mr. Speaker, native people have often indicated that they were concerned about this development. We have already shown them our good faith when we decided to withhold the development of the pipeline for at least two years.

Mr. Taylor: Can you find your place?

Mr. Bockstael: As for protection of the environment, Bill C-48 will reinforce already stringent regulations and practice to ensure that the contribution of the Canada lands to Canada's energy security will not be at the expense of the environment.

Some elements of Bill C-48 relate to the fiscal regime for the Canada land that is intended to provide to all Canadians a share in the financial benefits flowing from the exploitation of their resources. The challenge here is to provide to investors a fair and competitive return on their investment, while at the same time ensuring a fair return to the Canadian people who own the land and who have supported exploration investments so generously through incentives on a scale available to no other industry.

First, as part of the over-all fiscal regime, a 25 per cent share of oil and gas production from the Canada lands will be reserved to the Crown. This share will be exercised through Petro-Canada or some other designated Crown corporation.

Second, to ensure that Canadians receive a fair return for their oil and gas resources, there will be a basic royalty of 10 per cent, with an additional royalty of 40 per cent of the net profits of the field above the 25 per cent rate of return.

Third, to provide the opportunity for direct Canadian participation there will be a minimum requirement of 50 per cent Canadian private and public sector ownership of production in the Canada lands.

In terms of price, the new oil reference price will promote a high level of exploration and development activity in the Canada lands. This generous pricing regime was established under the oil pricing and revenue-sharing agreement signed with the province of Alberta last September. By guaranteeing producers of new Canada lands oil world level prices, it recognizes that oil exploration and development on the frontiers are relatively high-cost, high-risk ventures.

In short, as industry has recognized, the new oil reference price makes Canada fully competitive in price terms with oil exploration and development anywhere in the world giving significant stimulus for Canada lands oil development as it does for new tar sands projects and for production from the remaining conventional oil prospects in western Canada.

Second, consider the fiscal incentive in the Canada lands in relation to other countries. After the incentives in the income tax system, even without the depletion allowance that will be in effect until 1985, the effective cost for a foreign-owned company exploring in the Canada lands is 53 cents on the dollar. This is lower than comparative figures for the U.S. offshore which range up to 67 cents on the dollar. This is without taking into account the fact that unlike the United States we have not required an up-front bonus bid. We know of no investment regime in any major producing country that is nearly as attractive.

Put another way, we consciously provide to foreign companies a regime that is more attractive to them than any they enjoy in their home country. As you know, the investment incentive for Canadian-owned companies is even richer, providing the basis for a wealth of prospective deals between major companies now holding most of the prospective land and Canadian companies wishing to participate.

Finally, consider returns to industry under the fiscal regime governing production. Recall for a moment the numbers submitted by Petro-Canada. Using a sample field, Petro-Canada calculated that international investors would earn a rate of return of 24.4 per cent in the United Kingdom, 18.3 per cent in Norway, 21.6 per cent in the United States, not counting the bonus bids, and as much as 27.7 per cent in Canada. Together, the lower cost of investment on the Canada lands, our world level prices for new oil and exciting oil prospects provide the industry with prospective returns that are very attractive by U.S., U.K., Norwegian or any other standard. I know of no company which has taken the trouble to compare the economics in the Canada lands to regimes elsewhere that will debate this point. The numbers are there. They are public knowledge. Any analyst can verify them.

● (1730)

I want to address some of the specific criticisms which have been directed towards the Crown interest provision. Critics of the Crown share have called it an "expropriation" or a "land grab". They have been especially critical of the fact that the Crown interest will apply retroactively, as it applies to all lands not currently in production, whether or not exploration and discoveries have already taken place. They also continue to claim a right to substantial compensation. Mr. Speaker, this reaction stems from a basic misunderstanding of the Crown interest and its role established by Bill C-48.

The Crown interest involves retention by the Crown of 25 per cent of all interest in the Canada lands, except those where production has already occurred. The government also is involved directly in the management of the venture, commensurate with the level of its share. In return, the Crown will contribute 25 per cent of all costs involved. To argue that the Crown interest is a carried interest, a "free-ride", is obviously a misportrayal. We are paying for all of our share through the 25 per cent Crown interest incentive payment, by carrying our share of costs at the development stage, the Crown's interest is carried up to the point when a production plan is filed, at which point the Crown must convert its holdings to a working interest.

There are circumstances where the Crown might elect to convert to a working interest before exploration is completed, in which case the other partners would be paid double for the Crown's share of the costs, first through the 25 per cent Crown interest incentive payment, and second through a proportionate contribution by the Crown's working interest agent. In any event, the Crown will always contribute its share of the cost of developing a field for production. This activity usually accounts for 85 per cent or more of the total investment.

It is important to see Crown interest and its application in the proper context. First of all, it represents a means by which all Canadians can share in the benefits of a resource that is and will remain 100 per cent owned by Canadians. Canadians have, through their tax dollars, paid for the majority of the oil and gas exploration work. Moreover, the principle of Crown interest is not a new development; it incorporates elements of Canadian energy policy which have been evolving for the last 20 years.

Since the establishment of the Canada oil and gas land regulations in 1961, the world and the place of energy in it have changed. The Crown interest provision is one of the means, along with royalties, of ensuring that Canadians share in the benefits of the greatly increased value of the energy resources in the Canada lands.

Let us be quite clear on one point. The new regime, whatever its form, inevitably had to result in a greater government share of oil and gas revenues than would have been the case under the existing rules or the rules proposed in 1977. Existing rights were issued prior to the 1979 explosion in world oil prices and most lands now held by the industry even pre-date the emergence of OPEC's radical pricing policies in 1974.

These OPEC actions transformed the world oil market and effected a huge windfall economic gain on existing reserves and oil and gas rights. Canada has, as has every other government faced with this situation—including Norway, the United Kingdom and even the United States—made it clear that this

windfall would not accrue to the industry alone. On the Canada lands, the larger federal revenues from under the 25 per cent Crown interest and the progressive incremental royalty are intended to achieve government revenue objectives and can be equated reasonably to the fiscal measures of the United Kingdom and the United States, which have dramatically increased government revenues from existing reserves of oil and gas.

It is essential to establish this point quite early. There is an obligation upon us, as stewards of this national resource, to establish a mix of measures that give both the industry and the owners of the resource a fair share. On the basis of our comparative analysis of international regimes, we came to the conclusion that the regime had to be substantially toughened up, even over the 1977 rules, if we were to fulfil our responsibilities. Thus, it was not a question of a Crown interest or not; it was a question, with us, of how we would obtain this magnitude of share. Each country has its own approach.

Let me illustrate this with a United States example. In 1979, the United States, having decontrolled oil prices, imposed a tax called the "windfall profits tax". It applied to all production, current and future. It provided for a tax ranging from 30 per cent to 70 per cent on production profits. Quite clearly, to a dramatic extent, this affected the value of the industry's already discovered assets. Yet so far as we can ascertain, no serious attempt was made by companies in the United States to obtain compensation for this measure, which was every bit as retroactive as the Crown interest provision. Indeed, it was much more retroactive, because we are grandfathering existing production in the Canada lands. There are literally dozens of similar examples from around the world and within Canada.

For example, consider Alberta. A former cabinet minister of the Alberta government, the Hon. Bill Yurko, had this to say in the House of Commons on November 3, 1981, as reported at page 12460 of *Hansard:*

> I want to say first that I was involved as a minister of a government for over half a dozen years in changing drastically the energy regime in Alberta. No one has to tell me about retroactive legislation. We changed every lease in Alberta retroactively and changed the royalty structure from a maximum 16⅔ per cent to a much higher royalty.

Mr. Taylor: I rise on a point of order. The hon. member should also say that that was done after meeting the industry in an agricultural public affairs committee and discussing it fairly, not doing it by closure.

The Acting Speaker (Mr. Blaker): Order, please. That is not a point of order, as the hon. member knows.

Mr. Bockstael:

> Indeed, we changed legislation to effectively change the transfer of ownership of oil and gas.

Yet no company, so far as we know, claimed compensation for this retroactive change of rules affecting existing reserves.

Against this background, it is unreasonable to claim that the Crown interest does something more to the industry's assets than other fiscal measures, here and elsewhere, have done time and again, as governments took steps to ensure that their citizens obtained a fair share of the gains from the increased value of oil and gas production.

It is time we lay to rest the claim that the Crown interest is a measure that is financially unusual or that it calls for compensation. Consider the options we had at our disposal to ensure that Canadians got a fair share of profits from resources that they, not the oil companies, own. We could, for example, have raised the basic royalty, say to levels prevailing in Alberta. This would have raised it, on average, by 25 or 30 percentage points. The Crown's share of Canada lands production then would have been at least 35 to 40 per cent in the form of a royalty. This would have been more onerous on the industry than the Crown interest provision will be. For one thing, we pay our full share of costs in return for the Crown share. Yet I get the impression that had we opted for a royalty solution, the protests from the industry and from other governments would have been less intense.

• (1740)

Particular attention has been focused on the Crown interest in Hibernia, where Petro-Canada already had acquired an interest in the play in 1979 by virtue of the so-called back-in provision. It has been proposed that, because of this back-in, the Crown interest provision of Bill C-48 should not apply to Hibernia. Canadian ownership in that venture reached 35 per cent. Surely it would be inequitable to apply the Crown interest to those permit holders that actively sought private Canadian participation, but not to Hibernia. We can see no special case for the Hibernia partners. Their return will still be higher than they can earn in the other countries to which I have referred.

The new regime for the Canada lands leaves foreign-owned companies with an investment return that is superior to that available in their home countries. Consider for a moment a situation where Petro-Canada is involved in development in, say, Norway. If Norway were, in a reasonable and even-handed fashion, to change the fiscal rules, would anyone plausibly argue that such a move warranted protests on the part of the Canadian government? The case for protest would become even less sustainable if the new regime still left Petro-Canada better off—

Mr. Hawkes: Mr. Speaker, I rise on a question of privilege.

The Acting Speaker (Mr. Blaker): The hon. member for Calgary West (Mr. Hawkes) rises on a question of privilege.

Mr. Hawkes: Mr. Speaker, I think the filibuster in this House when we were trying to stop another closure measure taught all members on this side of the House that the basic foundation of a question of privilege arises from the fact that the king used to try to keep the commoners out of the House of Commons so that they could not represent the people who elected them.

I wonder if there is a question of privilege in the following set of circumstances, Mr. Speaker. When a motion under

Standing Order 75C is moved in this House and when a member votes on that motion, it is essentially a vote to close off debate, to restrict the time that is allowed for debate. Today is a very short day and it has been selected by the government as the last day of debate on a bill which steals 25 per cent of the assets of a number of Canadians. We have been treated to hearing a succession of three Liberal members speak, each of whom has read for a total of 40 minutes each, or whatever time was allowed, while only one member on this side of the House—

The Acting Speaker (Mr. Blaker): I am sorry to interrupt the hon. member but the usual procedure has been followed. That is, the Chair listens to an hon. member who seeks to raise a question of privilege. I have listened to the hon. member and if he is seeking to find some issue of privilege in the tradition and rule that the Chair looks to the left and the right alternatively, then I have explained that previously. Closure or no closure, we proceed in accordance with those rules. There is no element of privilege within the hon. member's submission.

Mr. Hawkes: Mr. Speaker—

The Acting Speaker (Mr. Blaker): I think I have answered the hon. member. Does he want to pursue the point further?

Mr. Hawkes: Yes, Mr. Speaker.

The Acting Speaker (Mr. Blaker): Unless the hon. member devotes his remarks very closely to the matter of privilege, I will have to cut him off.

Mr. Hawkes: Mr. Speaker, it may be due to my lack of eloquence in explaining my point, but the problem is not whether you look left or right, Mr. Speaker. The point is that there seems to have been a deliberate campaign of reading 40 minute speeches—

The Acting Speaker (Mr. Blaker): Order, please. That is not in any way a question of privilege.

Mr. Bockstael: Whether the government collects economic rent through a royalty which is taken in kind or through—

Mr. Taylor: That is the wrong page. You started in the wrong place.

Mr. Bockstael: —or through the retention of part of interest, there is very little difference—

Mr. Taylor: Mr. Speaker, a point of order. If this man wants to read, at least he should start in the right place. Hon. members opposite voted for freedom of expression in the charter, but they close off, shut the door, and don't let anyone else talk.

The Acting Speaker (Mr. Blaker): Order, please. I have to point out to the hon. member for Bow River, who says he finds there is some abuse of the rules in the reading of speeches, that no hon. member in this House is on his feet on points of order that are found to be without merit as often as he is.

It being 5.45 o'clock, pursuant to order made Monday, December 7, 1981, it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the motion now before the House.

[*Translation*]

The question is on the motion in the name of the Minister of Energy, Mines and Resources (Mr. Lalonde). Is it the pleasure of the House to adopt the said motion? All those in favour of the motion will please say yea.

Some hon. Members: Yea.

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

Some hon. Members: Nay.

The Acting Speaker (Mr. Blaker): In my opinion the yeas have it.

And more than five members having risen:

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

The House divided on the motion (Mr. Lalonde) which was agreed to on the following division:

● (1750)

(*Division No. 137*)

YEAS

Messrs.

Allmand
Appolloni (Mrs.)
Axworthy
Bachand
Baker (Gander-Twillingate)
Beauchamp-Niquet (Mrs.)
Berger
Blais
Blaker
Bloomfield
Bockstael
Bujold
Burghardt
Bussières
Caccia
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Chénier
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
de Corneille
Demers
Deniger
Dingwall
Dion
Dionne (Northumberland-Miramichi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Fox
Francis
Frith
Garant
Gauthier
Gendron
Gimaïel
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Irwin
Isabelle
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Lalonde
Landers
Lang
Laniel
Lapierre
Lapointe (Charlevoix)
Lapointe (Beauce)
Lonsdale
MacBain
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Munro (Hamilton East)
Nicholson (Miss)
Olivier
Ostiguy
Ouellet
Parent
Pelletier
Penner
Pepin
Pinard
Portelance
Prud'homme
Roberts
Robinson (Etobicoke-Lakeshore)
Rompkey
Rooney
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tobin
Tousignant
Trudeau
Turner
Veillette
Watson
Weatherhead
Whelan
Yanakis—125.

NAYS

Messrs.

Althouse
Andre
Anguish
Baker
(Nepean-Carleton)
Beatty
Benjamin
Blaikie
Blenkarn
Bosley
Bradley
Cardiff
Carney (Miss)
Clark
(Yellowhead)
Clarke
(Vancouver Quadra)
Cook
Corbett
Crombie
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Deans
Dinsdale
Ellis
Elzinga
Epp
Fennell
Fraser
Fretz
Friesen
Gamble
Gass
Gilchrist
Greenaway
Gurbin
Gustafson
Halliday
Hargrave
Hawkes
Heap
Hees
Hnatyshyn
Howie
Ittinuar
Jarvis
Keeper
Kempling
Kilgour
King
Korchinski
Kushner
Lambert
La Salle
Lawrence
Lewis
Lewycky
MacKay
Malone
Manly
Mayer
Mazankowski
McCain
McGrath
McKenzie
McKinnon
McKnight
McLean
McMillan
Mitchell
(Mrs.)
Mitges
Munro
(Esquimalt-Saanich)
Murphy

Messrs.

Murta
Neil
Nickerson
Nielsen
Nowlan
Ogle
Orlikow
Paproski
Robinson
(Burnaby)
Rose
Sargeant
Schellenberger
Scott
(Hamilton-Wentworth)
Scott
(Victoria-Haliburton)
Shields
Siddon
Skelly
Speyer
Stevens
Stewart
Taylor
Thacker
Thomson
Vankoughnet
Waddell
Wenman
Wilson
Wise
Wright
Young—102.

● (1810)

[*English*]

Madam Speaker: I declare the motion carried.

Motion agreed to and bill read the third time and passed.

[*Translation*]

It being 6.16, the House stands adjourned until tomorrow at 2 p.m.

At 6.16 p.m., the House adjourned, without question put, pursuant to Standing Order 2(1).

HOUSE OF COMMONS

Thursday, December 10, 1981

The House met at 2 p.m.

• (1405)

ROUTINE PROCEEDINGS

[*English*]

HUMAN RIGHTS

ANNIVERSARY OF UNITED NATIONS UNIVERSAL DECLARATION OF HUMAN RIGHTS—MOTION UNDER S.O. 43

Mr. Fred King (Okanagan-Similkameen): Madam Speaker, I rise to move a motion under the provisions of Standing Order 43. In view of the fact that today is the thirty-third anniversary of the United Nations Universal Declaration of Human Rights and that Canada is one of the foremost supporters of that Declaration, having ratified the International Covenant on Civil and Human rights which gives legal expression to that declaration; and in view of the continuing abuses of human rights in almost all parts of the world by both left wing and right wing regimes, I move, seconded by the hon. member for Scarborough East (Mr. Gilchrist), the hon. member for Saskatoon East (Mr. Ogle) and the hon. member for Don Valley East (Mr. Smith):

That this House condemn human rights abuses and urge all states to conform to the norms set out in the United Nations Universal Declaration of Human Rights, and to ratify the International Covenant on Human Rights.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Madam Speaker: Carried.

Some hon. Members: Hear, hear!

Madam Speaker: I see the hon. member for Okanagan-Similkameen (Mr. King), but I must advise him that the motion is now carried and, therefore, debate cannot take place. If the hon. member had risen before, I could have allowed him to debate the matter.

Mr. King: I had, Madam Speaker.

Madam Speaker: I apologize; I did not see the hon. member. Therefore, in order for the hon. member to be recognized, I must ask for the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Mr. King: Madam Speaker, I would be a more imposing figure had my parents fed me better when I was a youth.

Some hon. Members: Oh, oh!

Mr. King: It is a signal honour which permits me to speak to this most important and timely motion.

Nothing in all of man's activities can even closely parallel in value those efforts put forth in response to human need wherever it occurs. No emotion can possibly equal the emotion involved in feeling at one with fellow men anywhere in the world who suffer individual or national abuse. No calling is of demonstratively more worth than the devotion to respect for human rights in our community, in our nation, and throughout the world.

No single occurrence should inflame our impatience, rebuke our indifference and galvanize us to action more than the oppression of man's spirit and the denial of man's freedoms. In this respect, we are our brother's keeper. Dr. Sakharov in response to Dr. Shcharansky's ordeal said:

Shcharansky represents us all.

This is never more true than when applied to all who suffer from national breaches to human rights.

There is no cause on earth more worthy of our attention as parliamentarians, more demanding of our vigilance, more precious in the sight of God and of man than that cause which pursues as its ultimate goal the enhancement of human and spiritual values and dignities. Wherever abuses occur in Canada, in Europe, in Africa, in Asia, in South America, it is man's spirit that is oppressed, the very substance of humanity which is threatened.

Favoured Canadians generally are the poorer for a lack of real appreciation for the value of human dignity. This lack of understanding results from being part of a most favoured society in a most blessed land, and this sheltering environment breeds a complacency which too easily absorbs us.

• (1410)

Canada has ratified the United Nations International Covenant on Civil and Political Rights which gives legal expression to the United Nations Universal Declaration of Human Rights. Canada has acceded as well to Article 41 of the Covenant which allows a state, signatory to both the Covenant and the Article, to bring to the United Nations Human Rights Committee a charge that another "state party" has violated its obligations under the Covenant. Most significantly, Canada has ratified the optional protocol to the Covenant which recognizes the right of individuals to bring such charges to the Human Rights Committee. To date, only 12 of the 61 states

which have ratified the Covenant on Civil and Political Rights have acceded to Article 41.

Dr. Andrei Sakharov has said that "without human rights there is no détente . . . no peace". That is true of nations and it is true of the individual. God grant that even we in Canada will have no peace—no personal peace—so long as the human spirit is denied liberty anywhere in the world. Dr. Sakharov also said that "the price of exercising your rights may well be imprisonment". That, indeed, has been his experience. May we, to the extent possible, share in his suffering.

Some hon. Members: Hear, hear!

Hon. Gerald Regan (Secretary of State): Madam Speaker, in rising to speak in support of the motion may I say that as we mark the 33rd anniversary of the Universal Declaration of Human Rights today, I am pleased to report to this House on behalf of the government and, in particular, on behalf of my colleagues, the Secretary of State for External Affairs (Mr. MacGuigan), and the minister responsible for the status of women, that Canada has taken yet a further step in its commitment to promote the full and practical enjoyment of human rights.

Canada has today, with the support of all provinces and territories, deposited at the United Nations its instrument of ratification of the Convention on the Elimination of all Forms of Discrimination Against Women.

Some hon. Members: Hear, hear!

Mr. Regan: In ratifying the Convention, all jurisdictions in Canada have indicated their commitment to take appropriate measures to eliminate discrimination against women in the political and public life of the country, and to ensure equal rights with men in the fields of education, employment and health care, and in the areas of marriage and the family.

Some hon. Members: Hear, hear!

Mr. David Orlikow (Winnipeg North): Madam Speaker, I intended to move a somewhat similar motion. I am happy that hon. members of the House agree.

I want to use this occasion to congratulate the many organizations, particularly Amnesty International, for the work which they have done in acquainting the people of Canada and Members of Parliament with the violations of human rights that occur in so many parts of the world—in the east, the west, the north and the south—and for the urging they continue to give to us to do the kind of thing we are doing today.

Madam Speaker: Is the House ready for the question?

Some hon. Members: Question.

Madam Speaker: The question is on the motion moved by Mr. King, seconded by Mr. Smith. Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to.

• (1415)

THE ENVIRONMENT

NEW AGREEMENT DEMANDED ON CLEANING UP HOOKER CHEMICAL COMPANY'S HYDE PARK DUMP—MOTION UNDER S.O. 43

Mr. Neil Young (Beaches): Madam Speaker, I also rise under the provisions of Standing Order 43. In view of the recent discovery that the United States Environmental Protection Agency employed the services of an allegedly unqualified person to negotiate the clean-up agreement of the Hooker Chemical Company's Hyde Park dump, and in view of the fact that this discovery completely eradicates any integrity the proposed clean-up agreement may have had, I move, seconded by the hon. member for Oshawa (Mr. Broadbent):

That this House call on the Minister of the Environment to demand that a new agreement to clean up the Hyde Park dump be negotiated and that he publicly state his support of the Pollution Probe position that the only foolproof method of protecting our environment from Hyde Park wastes is to excavate the contents of the dump.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

ORAL QUESTION PERIOD

[*English*]

THE BUDGET

EFFECT ON RETIREMENT INCOME

Mr. Jim Hawkes (Calgary West): Madam Speaker, my questions today are for the Minister of National Health and Welfare. The minister will know that members on this side of the House are very much concerned about people who have recently retired or are about to retire, because the November 12 budget greatly hurt many of those people.

Does the minister think it is fair that those Canadians who have spent a lifetime planning for their retirement by putting their money into a small business such as a farm, a fishing boat or a truck, should have part of that income they were counting on for retirement suddenly taken away on November 12? Does the minister think it is fair to take away part of the income of those who get severance or retirement pay, leaving them with less to live on in their retirement years? Would the minister tell us whether or not she thinks that is fair, and whether she has figures in her department which would indicate how many of these people may now have to be supported at least in part by the tax system in the future?

Hon. Monique Bégin (Minister of National Health and Welfare): Madam Speaker, I think it would be more appropri-

ate to address a question on the budget to the Minister of Finance—

Some hon. Members: Oh, oh!

Miss Bégin: —instead of trying to play one portfolio and responsibility against another. The member should know that the interpretation which he tries to give to the budget today is inaccurate and misleading to the public, as much as the one he tried Friday morning in the standing committee, when he affirmed that all bus tickets for senior citizens and other reduced transportation tickets which they were able to obtain throughout previous years, are to be taxed. I repeat that these affirmations are completely false.

APPLICATION OF CAPITAL GAINS TAX TO MARRIED COUPLES

Mr. Jim Hawkes (Calgary West): Madam Speaker, I invite people to read the minutes of that standing committee meeting. They are very interesting, particularly about what the minister does not know and which she should know.

I would ask the minister whether or not it is an accident in the budget that the principle is affirmed that adult Canadians are entitled to own a home as a part of their long-term retirement plan, that they can dispose of that asset without taxation to have something to live on in their retirement years, except for those Canadians who are married? They have half the right that those who are single, those who are divorced, those who live common law would have. Is that an accident of the budget which was not thought through, or is that part of Liberal policy that they would prefer to penalize those who are married and take half of that privilege away from them?

Hon. Monique Bégin (Minister of National Health and Welfare): I can only repeat to the member that I know that he has been appointed social affairs critic. He has the various responsibilities completely mixed up. The right of a Canadian to own a home may touch social policies, but I am sorry, I am not familiar with that particular policy.

IMPACT ON PENSIONS AND GUARANTEED INCOME SUPPLEMENTS

Mr. Jim Hawkes (Calgary West): Madam Speaker, the minister responsible for senior citizens and retired people has not really given the budget the kind of scrutiny that she perhaps should have before going to cabinet meetings.

In our system, those who work for the government or for a large company such as Imperial Oil, or the Bank of Canada, may belong to a pension plan. They can put quite a bit of their own money and their employers' money into it. But Canadians such as waitresses, cab drivers and others are stuck with trying to put their money into something like an RRSP. Those who are rich in society can put more in than can those who have no company pension plans. I would like to ask the minister if she thinks that is fair and what impact that might have over the long term for her department, respecting the pensions and guaranteed income supplements it must pay.

• (1420)

Hon. Monique Bégin (Minister of National Health and Welfare): Madam Speaker, I think the only point of information I can bring to the attention of the hon. member is to repeat what the intention of the budget is, namely, to bring about equity, to which I fully subscribe. In the past people with higher incomes have managed, albeit legally, not to pay their share for redistribution.

With regard to the fears the hon. member is trying to spread regarding pensions, the only thing I can add for his information is that all the elements of the pension system in Canada, including the ones mentioned by the hon. member, are under review by the Department of Finance and my department.

POSSIBLE IMPACT ON PAY INCREASE DEMANDS

Mr. Chris Speyer (Cambridge): Madam Speaker, my question is directed to the Minister of Labour. He will know that there are some 46,000 employees of airlines who receive a substantial travel benefit which is about to be taxed as a result of the budget. Similarly, there are 100,000 railway workers who have free travel, and that is about to be taxed. This free travel is the result of collective agreements. There are thousands of clerks and other employees throughout the country who work, for example, at Eaton's or Simpsons, and get a 20 per cent discount on sales. There is going to be an irresistable demand in future labour negotiations for inflationary and substantial pay hikes to compensate for the loss of these benefits because of taxation.

Will the minister acknowledge that there will be these irresistable demands for inflationary pay hikes? Second, will the minister prevail upon the Minister of Finance to abandon this particular proposal, which is both unrealistic and counterproductive?

Hon. Chas. L. Caccia (Minister of Labour): Madam Speaker, representations along similar lines have been made to me by the groups the hon. member has mentioned, and I suppose representations have been made to other members of the government. I have made good notes of these representations, and I will keep them in mind.

IMPLEMENTATION OF TAX CHANGES

Mr. Chris Speyer (Cambridge): Madam Speaker, my supplementary question is directed to the Minister of National Revenue. I am fascinated by the prospect of how the minister is going to enforce the taxation of these particular benefits. How many hundreds of Canadians will the minister have to employ to determine the quite complicated question of what a taxable benefit is and the value of the benefit to be taxed? How much money will be derived by the federal treasury as a result of these provisions?

Hon. William Rompkey (Minister of National Revenue): Madam Speaker, I would encourage the hon. member, the other hon. members opposite and, indeed, the people of the

country, not to jump to concusions about how this budget is going to be implemented.

Some hon. Members: Oh, oh!

Mr. Blenkarn: A new budget is coming up.

Mr. Rompkey: There is no evidence at all to indicate any of the options which have been discussed in the press and are now being discussed by the opposition. The theme of this budget is fairness and equity—

An hon. Member: Shaft Canadians.

Some hon. Members: Oh, oh!

Mr. Rompkey: Madam Speaker, hon. members opposite do not want to hear. That same theme will be applied in the implementation of the budget as in the substance of the budget. There are people in this country who can afford to pay more than the share of the accounts of this country they are shouldering at this time. There are other people who cannot afford to pay that share. We will be putting the emphasis of taxation on the former group. We will administer the budget with fairness and equity, and that will be made clear in the future.

Some hon. Members: Hear, hear!

DEMAND FOR CHANGES

Mr. Edward Broadbent (Oshawa): Madam Speaker, I have a question for the Minister of Finance. It is clear that because of this budget, which has been described as being concerned with fairness and equity, most Canadians will have the bleakest Christmas in recent memory. In the past three months alone 140,000 people have been laid off from their jobs. The situation for farmers has become so bad that they are taking vigilante action to protect their farms.

• (1425)

My question to the Minister of Finance is this. Considering that he has promised on a number of occasions, as recently as last night in a speech in Toronto, to bring forward some changes in the budget to deal with the economic crisis, will he now announce some of those changes that even some Liberals who walked out of the dinner last night demanded?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I do not know whether the hon. member wants me to talk about farm policy, employment policy, the dinner in Toronto last night, the budget, the NDP, or whatever. I will say a word about the dinner. There were over 500 people. It was a tremendous dinner. I was delighted to be there.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

REQUEST THAT MINISTER LISTEN TO REPRESENTATIONS

Mr. Edward Broadbent (Oshawa): Madam Speaker, as usual the minister is more interested in people who can pay $125 or more for a dinner than in those who are unemployed in this country.

Some hon. Members: Hear, hear!

Mr. Broadbent: I would like to ask him a straightforward question he should be able to cope with, should he decide to for a change. Considering that businessmen, farmers, consumer groups, home owners, in short Canadians in every part of this land, representing every occupational group, are demanding that the minister make changes in his budget, when is he going to start listening to Canadians?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I want to assure the hon. member, as I assured my audience in Toronto last night, that I have been listening very carefully to the representations that were made, that I am open to suggestions for improvements. That is the process I have been going through. I have a meeting this afternoon with the small business men to hear their views. When I have completed the process of consultation and consideration, I will have no hesitation in making public the adjustments that I regard as desirable. I remind the hon. member that the budget has been before the House of Commons. It has received the support of the House of Commons.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. MacEachen: I regard the House of Commons as the body from which I take direction basically as a minister. As long as I have the support of the House of Commons, I feel confident in the work I am doing.

* * *

BANKS AND BANKING

LEVEL OF TAXATION

Mr. Edward Broadbent (Oshawa): Madam Speaker, the minister cannot even be sure he has the support of the people who sit behind him, let alone the members on this side of the House, when it comes to his budget. He indicated some weeks ago, and I think I quote him exactly, that the banks should be made to bleed a little. I would like to ask him a two-part question. First, does he still believe, given the substantial increase in their profits which even the bankers' association attributes to the high interest rate policy of the government, that they should be made to bleed a little? If the answer to that is yes, will he agree that taxing them at a fair level could obtain $700 million in additional revenue that could be used to produce houses and jobs that are needed by Canadians?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, the hon. member talks

about support. He should not transfer his insecurities about support to me. If he has certain insecurities, let him deal with them on that side. They do not exist over here.

* * *

● (1430)

THE DISABLED AND THE HANDICAPPED

INTRODUCTION OF LEGISLATION

Hon. W. G. Dinsdale (Brandon-Souris): Madam Speaker, I have a question for the Secretary of State. The number one priority recommendation of the Standing Committee on the Disabled and the Handicapped for action during the International Year of Disabled Persons was, and I am quoting:

That physical and mental handicaps be made a proscribed ground for discrimination for all discriminatory practices listed in the Canadian Human Rights Act.

In view of the fact that this same recommendation was accepted by the government and included in the Speech from the Throne, and today we are observing International Human Rights Day, would the Secretary of State choose this auspicious occasion to practise what he preaches and assure the House that the required legislation will be on the Order Paper before Parliament adjourns for the Christmas recess, so that arrangements can be made for speedy passage?

Hon. Gerald Regan (Secretary of State): Madam Speaker, I thank the hon. member for his question. Upon reflection I think that he will agree that the particular question might be more properly addressed to the Minister of Justice and Attorney General who will have the responsibility to introduce this amendment. He is actively working on the matter. I would think that he would be able to report to the hon. member in the near future.

The hon. member is aware of the fact that my responsibilities are those of co-ordinating the responses of the departments to the recommendations in the "Obstacles" Report, and that individual ministers will indicate the actions that affect their particular departments.

REQUEST FOR COMMITMENT

Hon. W. G. Dinsdale (Brandon-Souris): Madam Speaker, accepting the advice of the Secretary of State, and in the absence of the Minister of Justice and Attorney General, I shall address my question to the Parliamentary Secretary to the President of the Privy Council in his capacity as Chairman of the Standing Committee. In view of the strong support of the committee, could he take the necessary action within Liberal Party circles to ensure that we will have this legislation before us so that we can actually discharge our obligation? It is a specific obligation, Madam Speaker, that we have undertaken to the disabled community of Canada that this matter would be on the Order Paper and dealt with before the end of the International Year of Disabled Persons.

Some hon. Members: Hear, hear!

Mr. Jim Peterson (Parliamentary Secretary to Minister of Justice and Minister of State for Social Development): Madam Speaker, it is true that this matter was addressed in the Speech from the Throne as a priority of this government. The Minister of Justice has repeated several times since then, in public announcements and to groups of the handicapped, that it is a high priority on his list. We would hope that this will be coming in fairly soon.

* * *

PORTS

PREPARATION OF LEGISLATION TO GRANT LOCAL AUTONOMY

Mr. Howard Crosby (Halifax West): Madam Speaker, my question is directed to the Minister of Transport concerning our national ports. The documents presented to this House with the budget speech on November 12 indicate that the government will introduce legislation relating to national ports. The proposed new policy will give local autonomy to ports. Is the legislation now prepared and, if so, will the minister make the draft legislation available to interested persons so that it can be reviewed and considered by them?

Hon. Jean-Luc Pepin (Minister of Transport): Yes, indeed, the legislation is now being prepared; the drafting is taking place. I am not in command of that situation, but I would hope that we will get the bill early in the coming year, either January or February. It will be ready at that time, anyway.

On the subject of the contents of the policy itself, there have been a number of papers issued for consultation with industry. I have made a few little speeches on it myself. I will gladly send the full file to my hon. friend.

CNR FREIGHT RATE POLICY

Mr. Howard Crosby (Halifax West): The minister apparently knows that there have been a number of statements on the ports policy, which underlines the importance of vetting any proposed legislation before it is introduced in the House. I hope the minister will undertake to do that. The minister also knows that, with respect to ports policy, Nova Scotia ports are dependent on Canadian National Railways as the land link to central Canada. Is the minister prepared to investigate Canadian National Railways freight rate policy, along with the ports policy, to ensure that east coast ports can compete with St. Lawrence River ports under both policies?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, on the reprimand that I received from my hon. friend for publishing documents, I have not yet found a way to engage in conversation or discussion of a policy without producing a paper. Therefore, that is what we have done, and this is what I would be in a position to give my hon. friend. Besides that, the reaction to it has been extremely important. A great number of interested associations have already reacted to the basic paper we distributed. If I may say so, things are going

very well and we may be in a position to produce a ports policy which will be acceptable to all parts of Canada. It would be an accomplishment, in view of the fact it has been tried unsuccessfully, three times before.

On the subject of freight rates to the port of Halifax, I think CN has produced charts a number of times before the CTC, giving these rates and demonstrating that they are quite in line with rates given to other ports. As a matter of fact, they have been better in recent years. I will provide that information to my friend also.

* * *

HOUSE OF COMMONS

PRESENCE IN GALLERY OF AMERICAN SPACE SHUTTLE ASTRONAUTS

Madam Speaker: Members will understand why I take the liberty of drawing the attention of the House to the presence in our gallery of Colonel Joe Engle and Captain Richard H. Truly, who are astronauts from the United States space shuttle.

Some hon. Members: Hear, hear!

* * *

FREEDOM OF INFORMATION

PROVINCIAL VIEWS ON LEGISLATION

Mr. Svend J. Robinson (Burnaby): Madam Speaker, my question is directed to the Minister of Communications who is responsible for legislation on freedom of information. As the minister knows, yesterday the federal-provincial conference of attorneys general issued a communique in which the provinces urged the federal government to shelve all action on freedom of information legislation at this time. In view of the fact that the Standing Committee on Justice and Legal Affairs is now in the final stages of considering this important and long overdue legislation, and in view of the fact that we have already passed the clauses to which the provinces object, will the minister appear before the justice committee next week, as the steering committee has ordered him to do, so that the bill can be reported out by Christmas, or will he at this last minute cave in to the demands of the provinces and kill this important legislation?

Hon. Francis Fox (Minister of Communications): Madam Speaker, I am pleased to see that the hon. member shows so much diligence in hurrying to get the bill through. If it had not been for him, it would have been passed last summer.

Some hon. Members: Hear, hear!

Mr. Fox: Madam Speaker, the hon. member refers to meeting the attorneys general. I would like to tell him that the meeting took place. I met with them at the request of the Hon. Roy Romanow, the Attorney General of the Province of Saskatchewan who, on behalf of all the attorneys general of the provinces, wrote to me and asked me to appear and to meet with the attorneys general of the provinces. The common front of the attorneys general of the provinces—and, as I understand it, it includes all provinces, with the possible exception of the Attorney General of Manitoba who was not completely briefed on the question of the federal bill on access to information—therefore, asked me to consider some of the clauses in the access to information bill, so as to give them the opportunity of making representations to my officials. Madam Speaker, indeed I think that I would be irresponsible if, in face of the recommendations made to me by a group of people who are in charge of the administration of the criminal justice system in Canada, I were to simply cast aside their request to meet and explore whatever problems they see in the present access to information bill.

ASSURANCE SOUGHT ON INTRODUCTION OF LEGISLATION IN NEW SESSION

Mr. Svend J. Robinson (Burnaby): Madam Speaker, we make no apologies for ensuring that the bill that was originally presented to the House was improved as a result of the work that we did in committee.

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

Mr. Robinson (Burnaby): I must say, Madam Speaker, it is clear that the minister today is not prepared to commit himself to access to information legislation in Canada. I should like to ask the minister a supplementary question. If this bill dies in committee as a result of the delay which is now being imposed, is the minister prepared to assure the house that he will bring before the House, in the new session, legislation on access to information that is at least as strong as the bill which we now have before the committee?

Hon. Francis Fox (Minister of Communications): Madam Speaker, quite obviously what I have indicated is that I wanted to give the attorneys general of the provinces the opportunity of making their points to me and to my officials. As a result of the examination of whatever points they want to bring to my attention I will, of course, report to my cabinet colleagues on whatever problems the attorneys general feel must be met in the bill. If there are amendments to be proposed at that stage, I will listen to the attorneys general to try to improve the bill in the same way as I have tried to listen to the hon. member and the New Democratic Party in attempting to get the bill through the House. The bill is not through the House at the moment, and the hon. member must bear most of the responsibility for that.

● (1440)

THE BUDGET

QUERY RESPECTING POSSIBLE CHANGES

Miss Pat Carney (Vancouver Centre): Madam Speaker, my question is directed to the Minister of Finance who told us that he is consulting with the business community. I should point out that it was the practice of his predecessors to consult on policy changes before introducing a budget, not after.

Some hon. Members: Hear, hear!

Miss Carney: The minister talked about making transitional changes in his budget, but at the moment people are being laid off and businesses are closing their doors because of the uncertainties created by the budget. Could the minister tell the House in more detail what changes he proposes to make, and when he proposes to make them? Will it be before Christmas or after Christmas? When will he bring his budget bills before us?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, obviously the budget bills cannot be dealt with before Christmas, nor probably early in the New Year, depending upon when we return.

Mr. Stevens: Why?

Mr. MacEachen: What I have in mind is to complete my examination of the representations I have received and, where justified, to propose adjustments or changes. Just as soon as I have completed that process I will make the announcement. I am not certain yet when that will be possible.

The hon. member referred to the necessity for consultation prior to the budget. I assure the hon. member that I had extensive representations from the business community prior to the budget but, as is very well known, it is not possible to discuss specific proposed tax measures because of budgetary secrecy prior to the presentation of the budget. It may be that the House of Commons ought to consider at some time revising the attitude toward budget secrecy to make it possible to have a more meaningful consultation prior to the budget presentation.

* * *

MINES AND MINING

EFFECT OF BUDGET

Mr. Thomas Siddon (Richmond-South Delta): Madam Speaker, my supplementary question is directed to the Minister of State for Mines. It will be a Christmas of heartache and despair for families in Thompson and Sudbury, Shebandowan, Uranium City, Thetford Mines, Burns Lake and many other Canadian mining towns which have been hard hit by the current economic recession. The minister has been made painfully aware by her mail of the further damaging blow which the November 12 budget strikes against companies, employees and communities engaged in mineral exploration and mining. What advice has she offered to the Minister of Finance to reverse the serious damage which his budget is doing to Canadian mining?

Hon. Judy Erola (Minister of State (Mines)): Madam Speaker, the hon. member listed a number of mines. The picture is not quite as bleak as he painted. The lay-offs to which he referred are not completely lay-offs in terms of workers being laid off permanently. For instance, in the mine that is being closed in Sudbury the workers are not being laid off. They are being transferred to other operations within Sudbury. The lay-off is not a lay-off; it is a summer work stoppage which takes place almost every year, as it did in the year past.

Some hon. Members: Oh, oh!

Mrs. Erola: Of course I sympathize with those workers who are being displaced, but I should like to add that many of those, particularly in Uranium City, are being comforted by the fact that some 430 workers will be employed by the coal companies. The Minister of Employment and Immigration has told me that Fording Coal is interested in hiring some of them, that there is work for a number of these people in other areas of Canada.

* * *

THE DISABLED AND THE HANDICAPPED

RECOMMENDATION TO INCREASE BENEFITS PAYABLE UNDER CANADA PENSION PLAN

Mr. Dave Dingwall (Cape Breton-East Richmond): Madam Speaker, my question is directed to the Minister of National Health and Welfare. In view of the fact that we are quickly approaching the end of the International Year of Disabled Persons, could the minister inform the House whether she is prepared to proceed with two very important recommendations found in the report of the Special Committee on the Disabled and Handicapped, namely, an increase in disability benefits under the Canada Pension Plan, as well as an eventual implementation of a national comprehensive disability scheme?

Hon. Monique Bégin (Minister of National Health and Welfare): Madam Speaker, the answer is yes to both questions. For disabled persons who are so severely handicapped that they receive benefits from the Canada Pension Plan, perhaps from memory I would say that there are 90,000 of them in Canada, I proposed to the provinces, I think last week, to almost double their monthly benefits. This would not draw on public expenditures, but from money already provided for in the Canada Pension Plan. Hon. members will note that I need their help on that. The okay of two thirds of the provinces with two thirds of the population is needed although this is federal legislation, but I am sure we can count on the support of everyone.

Oral Questions

THE BUDGET

ELIGIBILITY OF FARMERS UNDER SMALL BUSINESS DEVELOPMENT BOND PROGRAM

Hon. John Wise (Elgin): Madam Speaker, my question is directed to the Minister of Finance. I am certain by now that the minister should be convinced that his November 12 budget severely hurt farmers more than it helped them. I know that the Minister of Finance met a few days ago with the Canadian Bankers' Association or members of the banking community to clarify the terms of reference to be applied by the banks as they relate to the Small Business Development Bond. In an effort to dispel the confusion which now exists, will the minister make public as soon as possible the criteria which will be applied and used by the banks for determining the eligibility of farmers who are in financial distress and, if so, when?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I am pleased with the interest of the hon. member in the operation of the Small Business Development Bond. The decision to extend the bond to unincorporated farmers was made as a result of representations from the farm community elsewhere. I will inquire whether at this stage it would be desirable to make further public information available. I should say with respect to the bonds in general that the existing rules will apply to such bonds issued after November 12 and before the end of the year where such arrangements for the issue where undertaken prior to the budget.

REQUEST THAT MINISTER MEET REPRESENTATIVES OF FARM ORGANIZATIONS

Hon. John Wise (Elgin): Madam Speaker, my supplementary question is directed to the Minister of Finance. I appreciate the minister's response to my question. I look forward to publication of the criteria within a matter of days. In view of the continuing confusion surrounding other budget provisions, namely, the income-averaging annuity, the capital gains reserve and the income-averaging provisions, would the minister agree to meet a small delegation of two or three representatives of three or four of the major farm organizations in Canada? Would he demonstrate to the House, and particularly to the farm community, that he cares enough to spend at least 60 minutes in the not too distant future to clear up some of the confusion and difficulties that he presented to the industry in his budget of November 12? Does he care enough to give them 60 minutes?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, as a result of requests from the Canadian Federation of Agriculture I have already agreed to meet with representatives of the federation. The date has not yet been set, but I am quite prepared and have agreed to that meeting. I look forward to the meeting because I believe it will be possible to demonstrate through a discussion with the representatives that the new forward-averaging system will provide benefits to the farming community—

Some hon. Members: Nonsense!

Mr. MacEachen: —which are on a par with the income-averaging annuity contracts that were in effect. I am quite prepared to enter into that discussion because I have that belief, and to hear the views of the representatives of the farmers.

* * *

• (1450)

RESEARCH AND DEVELOPMENT

INVESTMENT GUIDELINES

Mr. Gordon Gilchrist (Scarborough East): Madam Speaker, I think it is significant, on this auspicious occasion of the presence of our distinguished guests in the gallery who are testimonials to man's success and achievement in space high technology, that I direct my question to the Minister of State for Science and Technology, whose department has just put out a booklet entitled "Limited Partnerships: Investment Opportunities for Financing R&D" in Canada. For a year, in speeches and news releases, the minister has been stating his commitment to high technology and to R&D in Canada, and we applaud this very much. But then came the budget, with not one dollar for R&D, and instead it made cutbacks in investment, interest charges, interest write-offs, and even in post-secondary funding for the training of future scientists.

I want to ask the minister if this booklet, which is intended to show how we can invest more in research, will be a loophole. Can we trust the Minister of Finance to support his colleague, the Minister of State for Science and Technology, or will we be trapping Canadians into investing, and then cut off their investment in the future, to the detriment of Canada's research?

Some hon. Members: Hear, hear!

Hon. John Roberts (Minister of the Environment and Minister of State for Science and Technology): Madam Speaker, I am really surprised by the hon. member's question. I had obviously expected that, when he rose to ask a question today, he wished to congratulate us on the announcement yesterday of our increase in the space funding for Canadian industry, amounting to something like $132 million.

Some hon. Members: Hear, hear!

Mr. Siddon: That was in the Crosbie budget.

Mr. Roberts: This is one more concrete example of the support that this government is giving to the development of science and technology research in our country.

Mr. Baker (Nepean-Carleton): It was John Crosbie's idea.

Mr. Roberts: The hon. gentleman referred to the provisions of the budget. He should recognize that in terms of support for research and development in this country, over the past 21

months this government has expanded support for research and development by something like $500 million, which is an increase of approximately 50 per cent over a base budget for hard research and development of $1 billion. In terms of the impact of tax incentives, he should be aware that the consequences of the tax changes which were introduced before 1979 have led to a very rapid expansion of tax forgone, and therefore, an indication of research and development being done by the private industry which we now estimate is close to $100 million. On the basis of present tax provisions we expect it will amount to something like $500 million by 1985.

Mr. Siddon: Nonsense.

Mr. Roberts: Therefore, within our present tax arrangements there is considerable encouragement for the private sector to increase research and development funding. I would have hoped that he would also have been aware—

Madam Speaker: Order.

Some hon. Members: Hear, hear!

Mr. Roberts: I can assure the hon. member that I have the full support of the Minister of Finance.

Mr. Beattie: Burnt out on re-entry.

* * *

THE BUDGET

GUIDANCE FOR FARMERS AND BUSINESSMEN

Mr. Len Gustafson (Assiniboia): Madam Speaker, I have a question for the Minister of Finance which is somewhat supplementary to the question asked by the hon. member for Elgin. The minister will know that today farming and small business take long-term planning, and the budget has been most confusing because it has disrupted the plans of farmers and businessmen at every turn. Does the minister intend to give some guidance before the end of the year so that farmers and businessmen can move in a positive direction concerning their businesses and farms? Will he give this some consideration?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Yes, Madam Speaker, it would be my wish to provide that encouragement before the end of the year in that positive direction which the hon. member seeks.

Mr. Siddon: Why didn't your budget do it?

* * *

INDUSTRY

CONSOLIDATED COMPUTER INCORPORATED—AUDITOR GENERAL'S WARNING

Mr. Mark Rose (Mission-Port Moody): Madam Speaker, my question is directed to the minister replying on behalf of the Minister of Industry, Trade and Commerce. It concerns the $94 million which this department squandered through the Enterprise Development Program's guaranteed loans to Consolidated Computer Corporation and its two leasing companies. In 1977-78 the Auditor General's report warned IT&C that there were "a number of serious problems and weaknesses in the program system of financial management and control". His report also predicted serious cases of mismanagement could result because of the lack of public disclosure inherent in the loans system.

I would like the minister, or the person replying on his behalf to tell the House what has been done in the three years which have passed since those recommendations were made to tighten these controls. If they were tightened up, then how did all these loans amounting to $94 million, or $30 million in the last 16 months, sneak through?

[*Translation*]

Hon. Charles Lapointe (Minister of State (Small Businesses and Tourism)): Madam Speaker, the hon. member's question has been duly noted and will be reported to the Minister of Industry, Trade and Commerce.

[*English*]

INVESTIGATION OF LOANS

Mr. Mark Rose (Mission-Port Moody): Madam Speaker, I would like to direct my supplementary question to the President of the Treasury Board, a minister who has attempted in the last few days to convince us that his department was the proper body to investigate this soaring record of almost $100 million in losses. The same Auditor General's report makes it quite clear that it was the Treasury Board's responsibility, along with IT&C and the Comptroller General's office,to get things in place so that there would be improved financial operations in the loans program and proper disclosure.

In light of this, can the minister tell the House if he still insists that his department is capable of making an impartial in-house investigation? Where was the Comptroller General's office, that public watchdog, when these loans went through to Consolidated? Where was the watchdog? Was it asleep in its kennel or was it wagging its tail?

Hon. Donald J. Johnston (President of the Treasury Board): Madam Speaker, first of all the Comptroller General is the deputy minister who reports to me as President of the Treasury Board. If the hon. member is talking about the history of these transactions, the Office of the Comptroller General came into existence only in 1978. As I mentioned in an earlier answer to a similar-minded question last week, the past is clearly behind us, and that is why the Comptroller General has been involved in IMPAC studies across government to improve financial management and control systems. That is his role. Surely the hon. member is not suggesting that we should not undertake such an investigation. We feel it is incumbent upon us to conduct such investigations in the interests of good management.

I have also replied in the past I would be very pleased if the Auditor General or the Public Accounts Committee, or anyone else for that matter, wished to conduct an independent investigation. I am sure we are all interested in getting to the facts because there may be valuable lessons to be learned from the experience of CCI.

* * *

RESEARCH AND DEVELOPMENT

BUDGET FOR SPACE PROGRAM

Mr. Scott Fennell (Ontario): Madam Speaker, I would like to address my question to the Minister of State for Science and Technology. He just recently referred to a budget amounting to some $100 million for additions to the space program. When I read *The Globe and Mail* I was interested in noting that what he has proposed is part of a program which was adopted by the Conservative government in 1979 for the same amount of money, but which was cancelled by the Liberal government in 1980.

Some hon. Members: Shame!

Mr. Fennell: I would like to have the minister confirm that this is nothing more than a reintroduction of a five-year program of the Conservative government. I would like to ask why the amount of money is the same even though inflation has eroded the value of the dollar in the last two years.

Some hon. Members: Hear, hear!

Hon. John Roberts (Minister of the Environment and Minister of State for Science and Technology): Madam Speaker, that is absolute nonsense.

Mr. Siddon: It's true.

Mr. Roberts: When the opposition was in government it often proclaimed programs, but very rarely furnished the money to implement them. In this case, it did not even do that.

Mr. Siddon: It was in the estimates, and you know it.

* * *

FORESTRY

MINISTER'S ACTIONS TO ASSIST INDUSTRY AND ESTABLISH MARITIME RESEARCH COMPLEX

Mr. F. Oberle (Prince George-Peace River): Madam Speaker, I would like to ask a question of the same minister who spent a lot of time telling us all the things he does in research and development. I would like him to cast his mind to his other portfolio, forestry. I would ask him what he has done lately for the forest community, particularly in exercising his clear responsibility to assist the industry, which is in very deep trouble, with research and development.

More particularly, what has he done lately to advance the idea of a regional forest complex for the maritime provinces, an idea which has been on the drawing boards for eight years and has been before the cabinet for eight months? Particularly, what has he done to combine this forest complex with a forest ranger school to overcome some of the serious manpower shortages in this important sector of our economy?

Hon. John Roberts (Minister of the Environment and Minister of State for Science and Technology): Madam Speaker, there are a whole series of questions contained within the hon. member's one question. He knows very well that at the end of September we brought forward a discussion paper outlining the problems in the forestry industry in Canada and possible approaches to those problems. We are pursuing the initiatives we took at that time in discussions with the provinces in relation to reforestation. We are bringing forward for government consideration a variety of proposals in relation to marketing, in relation to assistance to the forestry schools of the country, and in relation to the training of highly qualified manpower in the forestry industry.

● (1500)

We do have under active consideration the question raised concerning the Maritime forestry complex, and I expect to be able to make an announcement some time within the next few days.

* * *

PETITION

MR. FENNELL—REQUEST THAT PETRO-CANADA PERMIT OPERATION OF A FULL SERVICE STATION

Madam Speaker: I have the honour to inform the House that the Clerk of the House has laid upon the Table the one hundred and fifty-fourth report of the Clerk of Petitions stating that he has examined the petition presented by the hon. member for Ontario (Mr. Fennell) on Wednesday, December 9, 1981, and finds that it meets the requirements of the Standing Orders as to form.

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HOUSE OF COMMONS

ATTIRE OF MEMBERS

Mr. D. M. Collenette (York East): Madam Speaker, I rise on a point of order. It concerns the question of decorum in the House. For some time I have been concerned with what I consider to be the declining state of decorum in the House. It came to my attention during question period that the hon. member for Vancouver-Kingsway (Mr. Waddell), who has since left the chamber, was here without the usual jacket and tie. This may be a small and picayune point that has been debated before, but under Standing Order 12(1), Madam

Speaker, you have the responsibility to preserve order and to decide questions of order.

Because I could not raise this matter in the normal way during question period, I would ask, is this type of behaviour permitted?

Madam Speaker: I can tell the hon. member that turtleneck sweaters are not allowed in the House and are not considered to be the proper attire.

An hon. Member: What about the Minister of State for Mines (Mrs. Erola)? She is wearing a turtleneck sweater!

An hon. Member: This is discrimination!

Some hon. Members: Oh, oh!

An hon. Member: Equal rights!

Madam Speaker: The hon. Minister of State for Mines (Mrs. Erola) tells me she will wear a tie tomorrow!

Some hon. Members: Oh, oh!

Madam Speaker: A shirt, tie and jacket are to be worn in the House and I must remind hon. members that is the proper attire for the House of Commons. Until further notice, that is what I will expect from hon. members.

MOTION RESPECTING CHRISTMAS RECESS

Mr. Doug Lewis (Simcoe North): Madam Speaker, in the absence of the opposition House leader, I would like to take this opportunity to ask the government House leader about the business of the House for the rest of the week and into next week.

Hon. Yvon Pinard (President of the Privy Council): Madam Speaker, before dealing with the specifics, the House leaders had consultations earlier this week. We came to the agreement on the following motion:

That when the House adjourns on Friday, December 18, 1981, it shall stand adjourned until Monday, January 25, 1982, provided that at any time prior to that date, if it appears to the satisfaction of Madam Speaker, after consultation with the government, that the public interest requires that the House should meet at an earlier time during the adjournment, Madam Speaker may give notice that she is so satisfied, and thereupon the House shall meet at the time stated in such notice, and shall transact its business as if it had been duly adjourned to that time; and that, in the event of Madam Speaker's being unable to act owing to illness or other cause, the Deputy Speaker or the Deputy Chairman of Committees shall act in her stead for all purposes of this order.

I believe, Madam Speaker, that if you ask for unanimous consent, it will be granted.

Mr. Lewis: Madam Speaker, on behalf of our party, I can agree to that motion.

Mr. Ian Deans (Hamilton Mountain): Madam Speaker, I was at that meeting and we in this party can give unanimous consent to that motion.

Madam Speaker: Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to.

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BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. Pinard: Madam Speaker, the House leaders agreed on a package with respect to the business of the House for tomorrow and next week. The first item of business tomorrow will be Bill S-23, the Jules and Paul-Émile Léger Foundation. That bill should be carried through all stages, and will be followed by Bill C-60, to amend the National Energy Board Act. That bill should be approved after report stage and receive third reading. Following that we will deal with Bill C-46, respecting the importation of meat. That bill should be accepted at the report stage and receive third reading.

If we have time, Bill C-45 will be considered, but there is no confirmed commitment on this one.

[*Translation*]

As far as next week is concerned, the House leaders have agreed firstly that before the House adjourns for the holidays on December 18, on Monday, before the end of the day, we shall complete second reading of Bill C-78, an Act to amend the Canada Labour Code, secondly that on Tuesday and Wednesday all stages of Bill C-84, the Small Businesses Loans Act will be completed. Thirdly, on Thursday provided the Minister of Justice is back and is present in the House, second reading of Bill C-53, an Act to amend the Criminal Code will be completed. Finally, the business of the House for Friday has not yet been determined. This will be done some time next week, after consultation with the House leaders on the opposite side. That, Madam Speaker, is substantially the order of business as agreed for tomorrow and next week, until the House adjourns for the holidays from December 18 until January 25, 1982.

[*English*]

Mr. Lewis: Madam Speaker, I believe we are basically in agreement with the government House leader. The only reservation I would have to put on what he said as to the business up until Thursday is to suggest that it may take more than one day's debate for all parties to consider Bill C-78. Since we still have some time before Monday, I will clear up that point with the opposition House leader.

However, I have three things to suggest to the government House leader. First, during question period suggestions were made by our side that we would like to see legislation to amend the Canadian Human Rights Act for the disabled placed in the House before the end of the year, especially as this is the International Year of Disabled Persons.

Second, I would like to reflect the unease in our caucus with respect to suggested changes to the Income Tax Act, which suggestions have appeared in the press and elsewhere. We feel that it is in the interests of the country to remove the uncertainty as to whether or not changes will be made, and that bill should be tabled.

Third, I would inquire of the government House leader as to the possibility of dealing with Bill C-85 before the House adjourns. I might say that I have already mentioned this matter to the parliamentary secretary.

Mr. Pinard: Madam Speaker, first, with respect to Bill C-78, the understanding I had with the hon. member for Yukon was very clear—that second reading would be completed on Monday night. However, I am willing to leave that matter open provided that I am also free to designate Friday of next week as an allotted day if this agreement is not respected. However, I gather that it will be.

Second, as far as legislation for the disabled is concerned, I will consult with the Minister of Justice. I hope that when he is back in Ottawa I will be in a better position to advise about the possibility of tabling the bill before the Christmas adjournment. I am not in a position today to answer that question.

Third, concerning income tax changes, I will have to consult with the Minister of Justice about that matter.

Finally, with respect to Bill C-85, I have suggested that we have second reading of that bill next week. I am told that many members wish to participate in the debate on that bill, which is understandable. Therefore, it will not be possible to send that bill to a committee before December 18. If, however, opposition members are willing to send Bill C-85 to a committee, we on this side will be prepared to agree to one speaker per party.

Mr. Lewis: Madam Speaker, rather than agree to next Friday as an allotted day, I say to the government House leader that in no way do I want to break a commitment which may have been made by the hon. member for the Yukon. We may have missed things. However, I will take that up with him as soon as possible. Perhaps I will be able to do that tonight before the vote.

Mr. Deans: Madam Speaker, as I understood the agreement, the bills to be dealt with are as outlined by the government House leader. However, I would like to suggest on behalf of my colleague the hon. member for Beaches and on behalf of the New Democratic Party that, if it were possible to let us have a look at the changes that might well be proposed to the Canadian Human Rights Act, not only would that be desirable, but we believe it will be quite possible to pass that legislation by next Friday. As well this will enable us to live up to what I think is a moral commitment that was made during the International Year of Disabled Persons. I would even go so far as saying that we might be prepared to work on reducing the length of time we would spend on other pieces of legislation in order to accommodate the government, if it were the desire of the government to bring forward that legislation early in the week.

• (1510)

With regard to all other matters, we are prepared, as the House leader knows, to deal not only with this legislation that is before us, but other pieces of legislation. If we can get agreement later we would be quite happy to deal with them.

Mr. Pinard: Madam Speaker, I want to thank the hon. member for his collaboration. On his first point, I witnessed the excellent answer given today by the Parliamentary Secretary to the Minister of Justice on our willingness to do something as soon as possible. This is not a matter of substance, it is a matter of timing, and on the timing aspect I would like to consult with the Minister of Justice when he is back from London this weekend.

Mr. Andre: Madam Speaker, with regard to Bill C-60, I just want to put one small caveat before the House; I do not think there will be any problem. I was not able to determine from the Minister of Energy, Mines and Resources exactly what he meant. We passed this bill once; it went to the Senate, was amended and brought back. I do not know what the amendment is. The Minister of Energy, Mines and Resources could not tell me what it is. I would not want to discover tomorrow that I have agreed to some wholesale change. I do not think there is a problem, but with that small caveat I agree to what was recommended.

Mr. Pinard: Madam Speaker, it is very simple. It is the amendment recommended by the Senate, which is supposed to appear on the Order Paper. There is nothing special in this regard. In addition, there have been discussions, I am told, to the effect that later on, if not possible before Christmas then after coming back, we will introduce a separate bill to increase the number of members of the National Energy Board to allow that board to deal with the measures in C-60. I think there was agreement to that too. We will not deal with this bill tomorrow.

ROUTINE PROCEEDINGS

[*English*]

PETITION

MR. SHIELDS—HERD MAINTENANCE PROGRAM

Mr. Jack Shields (Athabasca): Madam Speaker, I have the duty to present a petition on behalf of a number of my constituents. The purpose of this petition, signed by 79 citizens of the riding of Athabasca, is to indicate to the government that the criteria used to determine eligibility for the herd maintenance program this past year was extremely unfair and discriminatory towards producers of northeastern Alberta.

The nature of the petition is to demand that the government take action to correct the injustices of the program and to renew it so that those producers who found themselves in dire straits due to unusually harsh years, coupled with high interest rates and poor returns, will qualify for much needed assistance in order to continue their operations.

The petitioners hope, Madam Speaker, that in your examination of their petition you will find the petition in order, sense the urgency and desperation of their plea, and that you might use the discretionary powers vested in your office to allow discussion and referral to the committee at the earliest possible moment.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, the following questions will be answered today: Nos. 2,518, 3,296, 3,467, 3,468, 3,469, 3,470, 3,478, 3,479 and 3,480.

[*Text*]

METRIC CONVERSION

Question No. 2,518—**Mr. Towers:**

1. Did the Department of Consumer and Corporate Affairs receive letters opposing metric conversion and, if so, how many were from (a) individuals (b) provincial governments (c) trade and industry associations?

2. Did the department receive letters favouring metric conversion and, if so, how many?

Mr. Gary F. McCauley (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): 1. Yes.

(a) Individuals:	3,854
(b) Provincial governments:	1
(c) Trade and industry associations:	40

2. Yes, 37.

PERSONS OVER AGE OF 65

Question No. 3,296—**Mr. Dantzer**

1. How many persons in Canada does the government estimate will be over the age of 65 in (a) 1986 (b) 1991 (c) 2001 (d) 2011 (e) 2021 (f) 2031?

2. By gender, to what age is a person who is 65 years of age today estimated to live?

3. To what age is a person who will be 65 years of age in the year (a) 1986 (b) 1991 (c) 2001 (d) 2011 (e) 2021 (f) 2031 expected to live?

Hon. J.-J. Blais (Minister of Supply and Services): Statistics Canada reports:

1. Current projections by Statistics Canada are as follows:

	Year	Population over the age of 65 years (in thousands)
(a)	1986	2,601.0
(b)	1991	2,958.3
(c)	2001	3,387.4
(d)	2011	3,842.7
(e)	2021	4,969.0
(f)	2031	6,042.9

2. Estimates by Statistics Canada are as follows:

	Age expected to live
Male aged 65 years	about 79 years
Female aged 65 years	about 83.5 years

3. Mortality has not been projected by Statistics Canada beyond 1991. It is difficult to foresee the advances in health and medical sciences during the next 50 years. However, based on the most recent trends and changes in the expectation of life, ages expected to be lived by persons 65 years and over have been estimated by Statitics Canada for 1986 and 1991. They are as follows:

	Years	Age expected to be lived by Person aged 65 years	
		Male	Female
(a)	1986	79.3	84.0
(b)	1991	79.5	85.0
(c)	to (f)	Unavailable	

COST OF PRINTING A QUESTION ON THE ORDER PAPER

Question No. 3,467—**Mr. Cossitt:**

What is the estimated cost to the taxpayer of the printing of a question which remains on successive Order Papers for a period of 5½ years without being answered and will the government consider a policy of reducing such costs of printing by announcing a maximum lenght of time for the answering of the straightforward Order Paper questions?

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): It is impossible to determine the cost of printing one very small portion of the Order Paper.

ANSWER TO ORDER PAPER QUESTION

Question No. 3,468—**Mr. Cossitt:**

With reference to the answer to question No. 3,255, did the Parliamentary Secretary to the President of the Privy Council prepare the answer for the government without any assistance from others and, if not, what are the names and job designations of all those who assisted him?

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Ministers and parliamentary secretaries who answer written questions take full responsibility for such answers.

Question No. 3,469—**Mr. Cossitt:**

With reference to the answer to question No. 3,255, which states in part in regard to Order Paper questions, "some hon. members quite clearly overload the system . . .", what are the names of all members who have overloaded the system and is it government policy to consider that the asking of frequent questions by Members of Parliament seeking legitimate information is to be placed in the category of overloading the system?

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): The hon. member needs only to read

successive Order Papers in order to form his own conclusions as to the answer to this question.

Question No. 3,470—**Mr. Cossitt:**

With reference to the answer to question No. 3,255, which states in part, that it is "difficult to persuade officials" to deal with answering Order Paper questions "in an expeditious manner", what are the names of all government officials along with job designations that are difficult to persuade and what are the reasons in each case?

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): The answer referred to the human reaction of many officials who, by instinct and training, are reluctant to seek publicity. They therefore are quite often reluctant, also, to become involved in matters directly pertaining to the parliamentary process, especially when some hon. members are known to inquire, after answers are given, which officials assisted in the preparation of those answers.

ABOLITION OF CROWN ASSETS DISPOSAL CORP.

Question No. 3,478—**Mr. Cossitt:**

With reference to the answer to question No. 1,798 which stated in part that the Department of Supply and Services will carry out the functions of the Crown Assets Disposal Corporation but that the Corporation will not be abolished and its board of directors will continue (a) what are all the reasons for maintaining a board of directors for a corporation which will be operated by a department (b) what are the names of all the directors of the corporation who will remain in office, what is the total amount of the directors' salaries involved and what is the breakdown of the amount paid to each director?

Hon. J.-J. Blais (Minister of Supply and Services): (a) Section 15 of the Surplus Crown Assets Act states, inter alia, that "the affairs of the corporation shall not be wound up unless Parliament so provides". In addition, the complexity of the financial arrangements for the corporation's activities require that changes would have to be made to the Supply Revolving Fund. These will be examined in the near future.

(b) (i) G. R. D'Avignon, G. A. Berger, plus at least four additional public servants to be named by the governor-in-council.

(ii) Nil.

(iii) N/A.

REPLY TO QUESTION NO. 3,252

Question No. 3,479—**Mr. Cossitt:**

1. With reference to the answer to question No. 3,252 on the subject of Order Paper questions which stated in part that "the government is not amused . . .", what are all the details of the methods whereby the government reaches a decision as to whether it (a) is (b) is not amused?

2. Did the Parliamentary Secretary to President of the Privy Council prepare the answer to this question for the government which he signed or was it prepared for his signature by someone else and, if so, what is the name and job designation of any person taking part in its preparation?

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): 1. (a) and (b) The answer to this question could be found in any suitable elementary psychology text, some of which are available through the Library of Parliament.

2. See reply to question No. 3,468 answered this day.

Question No. 3,480—**Mr. Cossitt:**

1. With reference to the answer to question No. 3,252 on the subject of Order Paper questions which stated in part "the government does not regret the discomfort of hon. members who so abuse the system when other more diligent hon. members point out this behaviour", what are the names of all hon. members (a) in relation to whom the government "does not regret the discomfort" (b) whom the government considers "more diligent" and, in each case, what is the breakdown of the total number between Liberal, Conservative and New Democratic Party Members of Parliament?

2. What are all the details of the measurement used by the government to arrive at the Members in the category of (a) "discomfort" (b) "diligent"?

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): 1. See reply to question No. 3,469 answered this day.

2. See reply to question No. 3,479, 1 (a) and (b) answered this day.

[*English*]

Madam Speaker: The questions enumerated by the hon. parliamentary secretary have been answered.

* * *

STARRED QUESTION

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, would you be so kind as to call starred question No. 3,494?

[*Text*]

*OPERATIONAL STATUS OF DESTROYERS

Question No. 3,494—**Mr. Forrestall:**

1. Are any Maritime Command destroyers not fully operational and, if so, how many and, in each case (a) what is the name and class (b) on what date did it come into service (c) for what reason is it other than fully operational (d) for how much longer will it be other than fully operational (e) what will be the cost to restore it to fully operational capacity?

2. Can the Commander, Maritime Command, fully meet his sea commitments at the present time (a) to Canada (b) to NATO?

3. (a) Is Canada obligated in any way to advise any or all of its partners in NATO of any changes in its operational readiness status (b) has Canada advised any partners of changes and, if so, which ones and what advice was given to each?

4. Were contingency plans considered and, if so (a) what were the plans and are they to be implemented (b) do the plans involve other countries in any way and, if so, to what extent and in what form?

5. To date, were any operational or training programs disrupted as a result?

6. Which operational training plans have been affected or may be affected in the future?

7. On what date does the government anticipate acceptance of its first replacement ship?

[*English*]

Mrs. Ursula Appolloni (Parliamentary Secretary to Minister of National Defence): Madam Speaker, this question was asked by the hon. member for Dartmouth-Halifax East (Mr. Forrestall) and refers to the status of our destroyers.

The answer to the question is as follows:

1. Of the 23 destroyers in the fleet, eight are on full operational status and six more can be placed on operational status in case of emergency or war.

(a) and (b)

Class and Name	Date into Service
Improved St. Laurent Class	
Saguenay	1956
Skeena	1957
Ottawa	1956
Margaree	1957
Fraser	1957
Assiniboine	1956
Restigouche Class	
Chaudiere	1959
St. Croix	1958
Columbia	1959
Improved Restigouche Class	
Gatineau	1959
Kootenay	1959
Terra Nova	1959
Mackenzie Class	
Mackenzie	1962
Qu'Appelle	1963
Annapolis Class	
Annapolis	1964

(c) Two have confirmed superheater header problems; 6 have peacetime restrictions placed on them due to possible cracks in the boiler superheater headers; the restrictions could be lifted once in situ ultra sonic examinations have been performed in the next few weeks; 3 are held in reserve status; 4 are undergoing refit.

(d) First repairs to the ships that are discovered to have header problems will be completed in mid-April 1982. Meanwhile, stress calculations and a firm awareness of the crack propagation pattern confirm that there would be no compromise to crew safety should the ships have to sail.

(e) Cost is presently being determined but will depend on the number of headers that will have to be replaced.

2. Given that commitments relate to emergencies and war the restrictions would be lifted on those occasions. During actual repair work individual ships will be unavailable for approximately one month.

3. The Maritime Commander is obligated to report the status of his committed forces to SACLANT. This has been done but bearing in mind part 2 above our real readiness state has not changed significantly.

4. No.

(a) Not applicable.

(b) Not applicable.

5. Yes.

6. Exercise MARCOT 2/81 (9-20 Nov. 81). Combat Training Exercise (23 Nov.-7 Dec. 81). Caribbean Deployment (Jan.-Feb. 82).

7. 1987.

I would remind you, Madam Speaker, that it was the questioner who asked that this question be starred; therefore, we replied to it verbally.

Mr. Smith: I would ask, Madam Speaker, that the remaining questions be allowed to stand.

Madam Speaker: Shall the remaining questions stand?

Mr. Munro (Esquimalt-Saanich): Madam Speaker, I rise on a point of order. May I ask the Parliamentary Secretary to the Minister of National Defence if there is a date on the answer to the starred question which has just been read into the record, because the information as I heard it does not correspond to some of the current information which is available.

● (1520)

My second point of order is to draw the attention of the Parliamentary Secretary to the President of the Privy Council to my question No. 3,267 dealing with subventions to a private sector organization which was filed on October 28, and to draw to his attention question No. 3,341 which was placed on the Order Paper on November 6 and dealt with the simple matter of the number of hovercraft which are in service on the west coast, and what is contemplated by way of increases in that number. I think the tally should be just as easy as it was for the answer to the other question, and I do hope that the answers will not be unduly delayed.

Mr. Smith: Madam Speaker, with regard to the hon. member's question about the date of the answer given by the Parliamentary Secretary to the Minister of National Defence, the information is current but the answer is actually dated November 30, 1981—that was the date of the question. So that being the date of the answer, this information is correct as of today.

Mr. Munro (Esquimalt-Saanich): I do not think it is.

Mr. Smith: That is my best advice. With regard to the other representations made by the hon. member, I take due note of his comments.

GOVERNMENT ORDERS

[*English*]

BUSINESS OF SUPPLY

ALLOTTED DAY, S.O. 58—NON-CONFIDENCE MOTION—HIGH INTEREST RATES

Madam Speaker: Since today is the final allotted day the House will go through the usual procedures this evening to consider and dispose of the supply bill. In view of this fact, and according to practices, do hon. members agree that we should distribute that bill now so it may be available to hon. members?

Some hon. Members: Agreed.

Madam Speaker: It is so agreed.

Hon. James A. McGrath (St. John's East) moved:

That this House censures the government of its perpetual, excessive, and ineffective reliance on a high interest rate policy, which has not only created the worst economic recession in Canada since the 1930s, but which also continues, to threaten the survival of thousands of small enterprises, adds more Canadians daily to the ranks of the million already out of work, and confronts home owners and renters alike with the worst housing crisis since the Second World War.

He said: Mr. Speaker, as we approach the time of the Christmas adjournment the country finds itself locked into a mood of economic uncertainty, critically high unemployment, record high inflation and the worst housing crisis since the Second World War. We have a government that does not seem to appreciate this or in fact want to do anything about it, or respond in any way whatsoever.

The Toronto Sun in its edition dated September 16, 1981, had this headline: "Grits dine as riot cops stand guard". That, of course, had to do with the shameful and disgraceful performance of the minister responsible for housing and his colleagues who called out the RCMP riot squad to shield them from a delegation of irate home owners who were in Ottawa at the time protesting the high interest rates policy. Another headline in the *Toronto Star* on the same day read: "Home Owners Roll into Ottawa Protesting High Interest Rates".

I refer again to *The Citizen* published in Ottawa on Wednesday, September 16, 1981—this is very relevant to what I want to say, sir— which carried the headline: "Hang in there, home owners told". It went on:

Grit your teeth and hang on until the federal budget if you are in danger of being foreclosed, Public Works Minister Paul Cosgrove advised home owners Tuesday, holding out promise that help is on the way.

Finally, going back to that September 16 date, I quote from the *Toronto Star*, which is not unknown to be favourable to the government and not known to misquote any members of the government. The article reads:

Canadians are fed up with the federal government's handling of the economy, particularly high interest rates, Liberal MPs and Senators from across Canada have told Prime Minister Pierre Trudeau and his government.

Those headlines are very relevant with respect to the debate today. It is because of what I and many people construe to be the advance billing by the minister responsible for housing wherein he raised expectations, deliberately and cruelly, by having us believe that the Minister of Finance (Mr. MacEachen) would be addressing problems facing home owners and renters in the budget as a result of the high interest rate policy, that I intend to focus my remarks particularly on the housing problem.

Let us examine the facts. The housing crisis can best be summarized under two headings, affordability and availability. My colleague the hon. member for Hamilton-Wentworth (Mr. Scott) will be dealing with another aspect of the housing crisis with respect to those unfortunate Canadians who have urea formaldehyde foam insulation in their homes. They are the untouchables. They do not even qualify for a conventional mortgage and cannot sell their homes.

I would like to deal with the question of affordability and availability, which has created the worst housing crisis since the Second World War. It has created an acute shortage of rental accommodation in this country, unknown since the Second World War.

If we examine the record, we find that the fact is that in Canada we are just not producing enough new housing units each year to meet the housing needs of Canadians. The Canada Mortgage and Housing Corporation and the Housing and Urban Development Association of Canada predict that we need, on average, 220,000 new housing units each year to meet this demand. If we examine the record, starting in 1977 housing requirements as compared to housing starts showed a critical decline. At no time since 1977 have we been able to keep up with housing requirements or the demand for housing. For example, in 1977 we needed 256,000 starts and in fact only 245,000 were produced. The number goes down correspondingly. In 1978 the requirement was 259,000 and there were 227,000 actual starts. That continues to the critical period we are in today, 1981, where we required 265,000 starts and only produced 170,000.

If we take the predictions of the minister responsible for housing, the advice he has given his cabinet colleagues, then we are looking at housing starts in 1982 of 135,000 whereas the actual requirement for 1982 is 261,000 units. There is a serious crisis and a critical situation in the country.

Because of the acute shortfall in housing starts, the price of the average Canadian home, which is now $76,000 if you consider an average Canadian home to be a three-bedroomed bungalow, will continue to rise. We are told that we can look forward to increases in the range of 20 per cent next year, once again because of the shortfall and because of inflation. Now, if we are to regard the crisis in that context, what is the response of the government? What advice did the minister responsible for housing have for the people of Canada? This is what he said to his cabinet colleagues, and I quote from the famous leaked document entitled "Impact of Prolonged High Interest Rates on the Housing Sector."

They—

That is, the home owners.

—cannot use interest deferral techniques because they have insufficient equity for these households. The situation is one of hardship. Their choices are to pay a very large proportion of their income to retain their home, try to sell their home or just walk away and face foreclosure.

Again, from page 25 of the report:

In 1982, total starts could be as low as 135,000 with total rental starts dropping from in excess of 50,000 in 1981 to closer to half this total in 1982—

This is important to note:

—virtually all of which will be publicly assisted.

In other words, the government is saying that there will be no new housing starts in Canada next year in rental accommodation except that which is publicly assisted. Of course, this will be considerably below the estimates of long-run sustainable demand over the decade ahead.

It will also mean—and this is certainly something to consider when we realize that one million Canadians are unemployed—the loss of up to 30,000 man-years of employment in 1982.

● (1530)

Sir, we are seeing that prophecy come true. One need only refer to the release from Canada Mortgage and Housing Corporation. I am sorry that the minister responsible for housing is not in his seat. He obviously had a chance to read this resolution. It was placed on the Order Paper at 6 p.m. last evening, and there is no excuse for his not being in the House today. However, we have to proceed nevertheless. One need only refer to the release from the minister dated December 4 of this year showing another sharp decline in actual housing starts. Actual housing starts in urban areas of the country are down 27 per cent from those reported at the same time last year, for a total of 121,000 starts on a seasonally adjusted basis for the year.

Now let us take a look at what this means for Canadians today who have to renew their mortgages. The budget we brought in which was defeated with the support of the New Democratic Party provided for mortgage interest and property tax credits, and if that program were in effect today, home owners would enjoy tax credits of $1,125 for 1981 and $1,500 in 1982. That program would have meant $2 billion in relief for home owners.

What is the response from the government? It has come up with a promise of less than $50 million for 1982. Let us examine what the government proposes to provide in the form of relief to home owners who are faced with mortgage renewals and who have to get by under the added burden of continuing increased fuel costs. There is no energy tax credit to help them, as we had in our budget almost two years ago to this day. In the next year close to 900,000 Canadians will have to renew their mortgages. Again, if we are to believe the advice of the minister responsible for housing in his report to the cabinet, 100,000 of these householders face the risk of losing their homes. Of these 900,000 Canadians facing mortgage renewal during the coming year the government will assist only 12,500. Only 12,500 will be helped directly. That is barely 2 per cent of those who are faced with mortgage renewal next year. Of course, if you are unfortunate enough, as many people are, to be among those who had to renew their mortgages prior to September 1, 1981 when interest rates were in the 20 per cent to 22 per cent range, then you are out of luck. You do not have a chance. There is nothing for you.

Only one third of the 40,000 Canadians facing severe hardship will receive any aid under this plan, other than that which will throw them deeper into debt, if we talk about the mortgage deferral program, because that is precisely what is does. It puts a home owner deeper into debt. Again let us refer to the minister's famous leaked document:

Options such as interest deferral and lengthened amortization periods appear unlikely to be able to resolve the difficulties faced by all households renewing their mortgages.

The mortgage deferral scheme which the minister responsible for housing puts forward as a panacea and as the fulfilment of the promises made when he was raising expectations can only be likened to getting a loan from the mafia. The more you pay back, the deeper you get into debt. That has been the response of the government.

Finally, we have the government's discharging what it considers to be its obligation to help those "in dire straits". I put "dire straits" in quotation marks because if you are among the 900,000 facing substantial increases in mortgage payments, do not forget that you are also facing substantial increases in your heating bills. You are also facing increases in your property tax, hydro costs and just about everything. Those who qualify under the government's definition of "dire straits" will receive up to $3,000 in the form of one-time grants. That will barely be enough in most cases to keep the sheriff from the door.

Let us look at another aspect of the problem which is related and which is even worse. I am talking about the rental situation in the country. The government estimates that we need to produce 90,000 rental units a year to meet our requirements, and yet we are told by the minister, presumably on the advice of his officials in Canada Mortgage and Housing Corporation, that only government assisted rental housing will be built next year, given continuing high interest rates and all the other disincentives contained in the budget of the Minister of Finance. Just to compound the problem, as a result of the cancellation of the multiple unit residential building program there will be 20,000 fewer units starting next year, and the number could be as high as 25,000 less. We know it will be 20,000 less.

What has been the response of the government to the cancellation of the MURB program? The government brings in a program under which it will assist, with interest free loans of up to $7,500, 15,000 units which will be selectively spotted across the country. Fifteen thousand is all we can expect to see being built in Canada next year. That will barely satisfy the demand in the city of Calgary. What did the minister have to say? Again let us look at that famous leaked document. Page 19 of the document says:

The present level of interest rates renders rental investment uneconomic across the country. The average metropolitan area rent of $400 quoted in this document

compares with average investor carrying cost of $750 on the mortgage and property tax for a newly constructed unit with a 30 per cent downpayment.

Again I go on to quote from the document:

Rental investment will thus dry up in most markets. Even when vacancy rates have dropped to zero, there will be no new building until there is a better correspondence between investor costs and market rents for new units. This correspondence will only be achieved after a period during which waiting lists prevail and tenants have little choice of accommodation. Vacancy rates in most markets will approach zero by 1983.

We are almost there. We are almost at zero vacancy rates in most of the major metropolitan areas of the country. The city of Oshawa already has a zero vacancy rate. The city of Toronto has a 0.4 per cent vacancy rate; it is rapidly approaching zero. We can go across the country to the city of Winnipeg, the city of Calgary, the city of Vancouver or the city of Halifax. This is a very, very serious problem, and the situation will get worse.

What is the consequence of this? Again, sir, I have no better authority than the minister responsible for housing, who said:

A black market could develop in rental accommodation with the phenomenon of key money becoming prevalent.

For those who do not understand the term "key money", let me explain. It is a term which came about during the Second World War. It grew from the critical shortage of rental accommodation in many of the major metropolitan areas across the country. You nod, Mr. Speaker, probably because you have first-hand experience. That was the practice whereby, if you were desperate for accommodation, you would bribe the doorman or the building superintendent. In exchange for that bribe he would show you the accommodation available in the building. In return for another bribe he would provide you with a key and a lease. Of course, the understanding was that you would have to provide a bribe every month you were a tenant in that building. That is key money, and that is where we are heading. That is what the minister is predicting. That is the housing black market the minister referred to in his advice to the cabinet. That is a disgraceful situation for a country like Canada.

I want to continue to quote the minister because this is important. I am quoting from a document which was the minister's advice to his cabinet colleagues in trying to make a case for some relief in the budget, which we did not get:

The prospect is not only for tight rental markets but for waiting lists and doubling up with family and friends. We will thus witness a substantial regression in housing conditions following 35 years of gradual improvement.

● (1540)

What a shocking statement. What an indictment out of the mouth of the minister of housing of this government's inability to face up to its responsibility to Canadians. It is interesting that 10, maybe 11 years ago, the minister of housing of the day felt so strongly about the trends in housing in Canada and where we were heading in terms of housing and urban renewal that he put a task force on the road which he himself headed. I refer, of course, to the Hon. Paul Hellyer. When he brought in the report of the task force and its recommendations, he expected some action from the government. When the government failed to act, he did the only honourable thing he could do: he resigned his position from the cabinet.

I suppose you can liken the recommendations in the minister's task force report of ten years ago to the recommendations or warnings contained in the present minister's document to the cabinet of a few short months ago. I suggest to the minister of housing that he would do well to emulate the honourable course of his predecessor, the Hon. Paul Hellyer, and resign from the cabinet.

I advise hon. members who are interested in this crisis, as I am sure all hon. members are, to take a look at the report of the Hellyer task force on housing. They will find it very interesting reading. Many of its recommendations are very relevant to the present housing situation. There were ten principles listed in the recommendations of the task force. I will just quote two which happen to form the keystone of our philosophy as a party. I quote:

Housing and urban development are an urgent priority for the people of Canada and must be treated as such by their elected representatives at all levels.

What a pity the government refused or failed to respond to that recommendation ten years ago. I quote the second principle of the Hellyer task force, one to which my colleagues and I subscribe:

Every Canadian should be entitled to clean, warm shelter as a matter of basic human right.

That is the keystone of our commitments. It is interesting to note that the minister's executive assistance at that time had a large part to play in the drafting of that report. I would not be at all surprised if he had a hand in some of the recommendations.

Hon. members will be interested in knowing who the minister's executive assistant was at that time. He was none other than Mr. Lloyd Axworthy, who now sits opposite as the minister responsible for employment and immigration. He seems to have lost his concern based on his experience. I quote from *Hansard* of 1979:

The people of Canada are not being crucified, they are being hung, drawn and quartered by high interest rates.

I wish I had said that. The Minister of Employment and Immigration (Mr. Axworthy) said that in this House in 1979 when he was the housing critic. He said that at a time when interest rates were at 14 per cent. At 14 per cent he stood in this House and said that the people of Canada were being hung, drawn and quartered. Today we have seen interest rates reach as high as 22 per cent and we see the minister who made that statement now sitting in the cabinet.

What could the government have done? They could have swallowed their pride and reintroduced our mortgage and property tax credit plan. They could have increased the capital cost allowance from 5 to 10 per cent which would help to bring down building costs. They could have continued the MURB program. They could have brought in a shelter allowance to help ease the critical situation in the area of social housing. We do not hear enough about that. All you have to do is read the metropolitan papers of the country to find that the chari-

table institutions can no longer cope with the critical demand of those who are literally on the street at night.

The government could have brought in a plan whereby the registered home ownership savings plan could be folded into an RRSP and applied to home ownership. They could have done all those things. There were a number of things they could have done if they fully appreciated the seriousness of the situation in the country today and the depth of feeling of Canadians.

All we get from this government is advice from the minister of housing that Canadians have to lower their expectations. That is the advice of the minister of housing. We have to go back to the way things were two or three decades ago. Tell the young people of the country to make do with orange crates. You will find it awfully difficult to sit on an orange crate today because they are no longer made of wood; you would find yourself with your bottom on the floor in no time short. Yet that is the advice we get from the minister.

I say this to the minister. He was not entirely out to lunch on that advice because the situation 20 years ago was a lot better than it is today. If twenty years ago you could not afford to buy a house because you did not have the down payment and you were just starting out in married life, you at least had an apartment to go to. Now you have no apartment to go to. Housing is beyond your reach. It has become an impossible dream. You either have to forgo your plans or double up with your parents. What a shameful situation in this country today.

I believe before too long we are going to see further backstepping by the government, what we in Newfoundland used to call turkey-trotting where you take one step ahead and two steps backwards. We have already seen one step backwards when they had to reinstitute the soft cost provisions of the MURB program to accommodate those units which had been started during this current calendar year. I predict that the situation is going to get so bad that before the winter is over this budget, which is already in scrambles, will have to be scrapped.

Some hon. Members: Hear, hear!

Mr. Edward Broadbent (Oshawa): Mr. Speaker, I rise to speak in support of this motion with a great deal of pleasure. The effects of the high interest rate policy of this government are now well known. They are even well known to the members on the backbenches opposite in this House of Commons. They cannot ignore the reality that in the past 90 days 140,000 Canadians have lost their jobs through lay-offs. They cannot ignore the reality that 7,000 small businesses so far this year have gone into bankruptcy.

The backbenchers opposite cannot ignore the fact that bankruptcies of small businesses in Canada in November this year compared to November last year were up 49 per cent. That is significant because, as all business people and consumers know, if there is any possibility of staying in business you sure stay in business in November and through the December shopping period. When bankruptcies are up 49 per cent in the month of November this year over last year, it can be seen that we are in the middle of an economic and human crisis.

The backbenchers in the Liberal Party cannot ignore the fact that farmers are being hurt now as never before. I do not need to stress in this House that farmers are hardly well known for demonstrating and actively showing their opposition to government policy when they are unhappy. Of all the segments of our population, they are the small "c" conservative, law-abiding, peaceful group. What have we seen in recent days? In the province of Québec at St.-Isidore, hog producers block roads. Why? Because of high interest rates and the impact it is having on their operations as farmers. In the Bruce-Grey region of the province of Ontario, another group of farmers have virtually taken to vigilante action to protect their farms from banks and other mortgage holders who may want to take them over.

● (1550)

Finally, as other evidence of the effects of the high interest rate policy of this government, we had the demonstrations just a few weeks ago of 100,000 Canadians who appeared just outside the main door of this building. That figure surprised a lot of people, Mr. Speaker. It surprised me. To be perfectly frank, it surprised the organizers who represented a number of groups. It was almost double the number they anticipated would turn out. They were people who came not simply from trade unions, but small businessmen, home owners, farmers, people who were trying to send a message to the Government of Canada.

Given this reality of 140,000 lay-offs in three months, the record number of small business bankruptcies, the disruption in farm communities, the loss of homes, the fear of renters all over Canada that their rents will increase by two, three or four hundred dollars next year, how have the major institutions with power and responsibility in Canada responded to this?

First we have the Bank of Canada and our beloved Governor, Mr. Bouey. He has seen the reality; he has seen the effects of high interest rates. What has he said? He made a speech a few days ago in which he complained. What did he complain about? He complained about minimum wages. He said that minimum wages in Canada were a source of inflation. He urged the government—I do not exaggerate, these were his words—to hang tough with its policy. That is what the Governor of the Bank of Canada said.

An hon. Member: And then he gave himself a raise.

Mr. Broadbent: Mr. Speaker, I would like to say, through you, to the Governor of the Bank of Canada that it is very easy to be tough when your salary is being increased to $105,000 a year, as was Mr. Bouey's. I point out that in dollar value, just the increase alone is greater than the minimum income in Canada that Mr. Bouey said was inflationary. For the governor of the Bank of Canada to be making such a statement is shameful.

Some hon. Members: Hear, hear!

Mr. Broadbent: I should also say that it is easy to be tough when you have the financial resources at this time of year to treat one's family to the things that one comes to expect in a land normally as prosperous as ours at Christmas, to such things as toys and to a special Christmas meal and so on. It is easy to be tough if one is in a financial position to do that. But I also want to say that it is not easy to be tough when one is living on a minimum wage or when one is among the thousands that are being laid off in Canada, a number of whom in 1981 will not even be in a position to buy the traditional family turkey for Christmas. I say in that context that if there is one turkey this country cannot afford, it is the turkey who is the Governor of the Bank of Canada.

Some hon. Members: Hear, hear!

Mr. Broadbent: If there is one case for the Government of Canada getting tough, it is the case of the Governor of the Bank of Canada. They should get tough enough to fire him.

Some hon. Members: Hear, hear!

Mr. Broadbent: If the Governor of the Bank of Canada's response has been one of ignorance in economics—and I say that bluntly—a failure to understand the economic theory that I thought went out of date at the end of the 1920s or certainly at the beginning of the 1930s and is certainly wrong now, if he is to be faulted for technical competence reasons as well as insensitivity, what can one say about the Government of Canada, which since the Coyne affair at least has had the full legal authority to direct and control monetary policy in this country?

Before I note their reaction, I want to say in passing that even President Reagan of the United States, the arch-conservative of the modern age, has begun to reduce interest rates at a more rapid level in the United States than has the Government of Canada. Even President Reagan has recognized the negative, inhumane effect in terms of escalation of unemployment in the United States that the high interest rate policy has had there.

What we have had in recent weeks is an increase in the spread in interest rates between Canada and the United States. As bizarre as it is in some sense, to contend, President Reagan has had a more humane response to the economic circumstances of the Americans than has the Government of Canada. It is hard to believe, but that happens to be the factual reality.

What did the government do? It had a chance to deal with this reality in the budget, but what does the budget do? The budget continues to tax people who are living on pensions and deliberately creates more unemployment. Its own forecast calculated increases in unemployment for the next three years before there is some turnaround. The only way we will get a turnaround is to turn this government out. But that is in the budget forecast.

It continues to tax pensioners and it deliberately creates unemployment, but at the same time it reduces taxes by as much as $5,000 a year for the very rich in Canada. It is a government that has responded to budget criticism from its friends, such as Dome Petroleum Limited. It made one phone call and within minutes there was an announced change for Dome Petroleum Limited for its benefit, but we have not yet seen a change that would benefit the poor. It is a budget which, above all at this time because of the government's commitment to interest rates, leaves the truly exorbitant and unconscionable profits of the banks virtually untouched.

I say that in this context of human suffering it is time that the Government of Canada realized that in a democratic society the basic moral obligation of a government is to the ordinary people of the land, not to the rich and powerful who can look after themselves.

Specifically, I want to say something about bank profits. I want to do so for a number of reasons. The Prime Minister (Mr. Trudeau), in one of his casual and arrogant dismissals a couple of weeks ago when he was questioned about action to improve the wellbeing of the ordinary Canadians, asked: "Where will we get the money?" Then he sat down. That was one of his definitive arguments.

I want to say something about that because the hon. member who sits to his right, the Minister of Finance (Mr. MacEachen), has said that the banks of Canada must bleed a little. They sure have not been bleeding; they have been leeching the people of Canada. We know their profits are $1.8 billion. Their profits are high. A number of corporations could be having high profits for a variety of reasons. Perhaps some of them are very efficient and are producing a good product that is selling well and producing jobs. There are all kinds of reasons. But the reason the banks are having high profits is made clear not by the New Democratic Party but was made clear earlier this week by a statement from a spokesman for the banks that appeared in a publication of the Canadian Bankers' Association when he said that the reason the bank profits are so high is because of the high interest rate policy of this government.

In these circumstances, Mr. Speaker, we say that it is long overdue that we tax the banks at a fair level. That is all we are saying. We are not saying: "Let us confiscate all their revenue, let us seize their property". We are saying that when there are thousands of Canadians living in poverty, when we have a national housing crisis and the highest level of unemployment since the depression, it is time that the banks of Canada did indeed bleed a little and paid their share.

● (1600)

I have a simple proposal to put forward. When the minister responds today, I should like to hear him deal with the argument. Let us tax the banks at a fair level. If they have $1.8 billion, let us levy a tax on them for some $700 million. I am sure the Minister of Finance could figure this out; it would leave approximately $1 billion for the banks. That is not bad, they would still have that profit. We need some $700 million. A few weeks ago the Prime Minister asked from where we could get money to do various things. Go to the banks, go to

the banks! Instead of putting it in, take it out for the people of Canada.

Before saying what I would do with it, in this context I move, seconded by the hon. member for Beaches:

> That the motion be amended by including after the word "policy" the following:
>
> "and its failure to introduce an excess profits tax on bank profits so that new programs could be established to assist home owners, and to stimulate construction of the needed housing units".

What could be done with the results of this single action? There are many other things about which other speakers in my party will be talking today, but I want to zero in on this one item. First, there is a minimal shortage of some 50,000 units for the coming year, even if the projections of the government are lived up to as to what is needed across Canada. With the $700 million which could be obtained if the government acted on this amendment, we would be able to stimulate enough production of housing in Canada to produce the 50,000 units. In addition, at a time when real unemployment levels are in excess of one million, we would be able to produce 110,000 jobs which would result from the construction of the homes, on the one hand, and also from the goods purchased to go in the homes and the services related to the construction of the homes. It would mean 110,000 additional men and women working who want to work; 110,000 men and women would be paying taxes instead of collecting unemployment insurance and welfare. This makes economic and social sense to us. This is a practical and just proposal, a proposal which ought to be implemented right away.

Having made the point about the social sensitivity and economic incompetence of Liberals, I want to turn to the movers of the motion today. If the Liberals have been insensitive to Canadians in the budget, it seems to me that the motion before us demonstrates that at best Conservatives have forgotten their own record and at worst, to be blunt, are hypocritical. I remind the Conservatives present in the House that under the government of the Right Hon. Leader of the Opposition (Mr. Clark) its monetary policy was precisely the same as that of the Liberal government today.

Mr. Blenkarn: No way.

Mr. Broadbent: Under the government of the Right Hon. Leader of the Opposition, interest rates rose not once, twice or three times, but four times. If they had been in office longer than nine months, no doubt they would have risen as frequently and as rapidly as they have under the Liberals.

Mr. Blenkarn: They were less than the American rates, but now they are more.

Mr. Broadbent: I hear a Conservative member jeering in the background. Now that they are back in opposition, at least one Conservative member has been consistent. The hon. member for St. John's West (Mr. Crosbie), the former finance critic, said as recently as June in a television interview that he was speaking for his party and that they would support Governor Bouey's high interest rate policy. At least the hon. member has been consistent, but I say to hon. members of the Conservative Party that they cannot have it both ways. They cannot in one motion single out the negative human effects of a ridiculous high interest rate policy and simultaneously advocate a high interest rate policy. The cannot have it both ways.

I conclude my remarks this afternoon by saying that I have repeated in my speech what is well known about the negative effects of the high interest rate policy and the indifferent government. Also in this context I have proposed in a straightforward manner a partial solution to an important problem. If we look at the banks honestly and fairly and make them perform fairly, we could deal with the present housing situation and produce some jobs. This is the precise, concrete action, instead of indifference, which we ought to be receiving from the Government of Canada.

Some hon. Members: Hear, hear!

[*Translation*]

Hon. Pierre Bussières (Minister of State (Finance)): Thank you, Mr. Speaker. I must admit that the amendment proposed by the Leader of the New Democratic Party is a clever one. Throughout his speech, the hon. member failed to address the root of the problem as was the case with the spokesman for the Progressive Conservative Party—and what he is proposing is a band-aid solution. Mr. Speaker, I believe that both the motion and the speeches made in its defence are deceiving, because the official opposition always tells only part of the story. The motion is also false because it does not reflect reality and confuses cause and effect. In addition to being false, it is fallacious, because it creates illusions, is misleading and obscures the real situation by confusing cause and effect. To put it in a medical context, everyone has been discussing symptoms without trying to establish what is really wrong with the patient and prescribing the appropriate medication.

• (1610)

Our main problem—and this was clearly pointed out in the budget—is inflation, which is still very much a fact in our society and in our economy. However, before making alarmist statements, it would perhaps be wise to remember certain facts. For instance, between November 1980 and November 1981, nearly 110,000 new jobs were created in Canada. During that same period, the same twelve months, the economy's real growth was 3.7 per cent. This is, in fact, a remarkable performance compared with the economic situation in the world today. However, although there has been a substantial increase in the number of jobs and the growth rate of our economy, the fact remains that inflation has remained at unacceptable levels, that the unemployment rate is still very high in Canada, and that interest rates are high as well. The government is not saying that the problem is easy to solve, and we are ready to admit that this is a difficult situation. However, we are saying that people should not delude themselves that they will be able to get through this difficult period

without paying a price. The real enemy to be beaten is inflation. High interest rates are a consequence of inflation and if we really want to bring down interest rates, we shall have to fight inflation and reduce inflationary pressures.

Since the seventies, inflation has become an increasing threat to our economy. Inflation is becoming a way of life. That is the root of the problem, and that is what makes it difficult to solve. We must get rid of our inflationary expectations and at the same time get rid of the causes of inflation. During the last decade, the average inflation rate was 9 per cent. If we look at the decade before that, the average inflation rate was less than 3 per cent. During the seventies, profound changes have unsettled the world economic situation and also our own. For instance, the price of oil products has increased by about 650 per cent. The Canadian dollar has depreciated by about 20 per cent compared with the American dollar. In other words, inflation is a serious problem and it is the problem we must fight. It is no use focusing on external or secondary causes. We must get at the root of the problem, bearing in mind that inflation and inflationary expectations are the cause of high interest rates and are therefore responsible for the consequences of high interest rates.

How borrowers reacted to what they thought were high interest rates this spring and summer is a good example of how inflation affects our behaviour. At that time, when mortgage rates were at a record high—about 16 per cent—housing prices in various areas in Canada, became artificially inflated as a result of speculation. Buyers were willing to pay more, expecting prices to go even higher later on. Similarly, general credit demand did not drop until recently, that is, sometime after interest rates peaked last August. So, instead of blindly concentrating on the issue of high interest rates, it is necessary to understand that as long as inflation stays above 10 per cent, interest rates will not go down. However, interest rates have dropped six percentage points since the month of August. On the other hand, we must realize that there is very little hope there will be a rapid progression in that decline, if inflation does not drop substantially.

What are the alternative suggestions in the main motion and the amendment proposed by the NDP? Would we rather have lower interest rates in the present economic situation? The Bank of Canada could probably take steps to reduce interest rates, but what would the consequences be? There would be a substantial increase in the rate of growth of the money supply. The Canadian dollar would probably drop in value on the foreign exchange market, and that would inevitably lead to a jump in interest rates in subsequent months.

It must be understood that increasing the money supply acts as a two-edged sword. In the short term, it expands credit and reduces interest rates. However, since the money supply is inflated in proportion to economic and production capacity, this creates an inflationary trend, leading to rising interest rates.

It would therefore be inconsistent to abandon a policy that is aimed at bringing down inflation and getting at the root of the problem, just to have two or three months' respite before getting into a situation that is even worse.

Do the supporters of this motion recommend that the government maintain its present monetary policy, while at the same time adopting an expansionary financial policy, increasing its expenditures, setting up new programs and even reducing taxes? That would go against the views of a number of economists who favour reducing the deficit as a means of fighting inflation.

● (1620)

The government recognizes that bringing down the deficit is a major element of the anti-inflation strategy which will alleviate pressures on the capital markets and thus bring about a decrease in interest rates. The alternative policies proposed in the motion now before the House fly in the face of an anti-inflation strategy. Since the supporters of the motion are not likely to really want to give up the fight against inflation, they might prefer that the government impose direct wage and price controls? Such a solution has already been suggested; it was even used temporarily in 1975 and had relatively helpful results in an emergency situation. However, I believe that such controls are generally considered as often resulting in inequity and as failing to strike at the roots of inflation. If opposition members are now suggesting indirectly that we impose wage controls, they should say so, but they should say so openly without trying to undermine the anti-inflation strategy in the eyes of the population. The government could tunnel-vision its approach to inflation as implied by the opposition party by pursuing expansionist policies and developing new programs which would put back for an indefinite period the return to an inflation free economy. In fact, such a tunnel vision would solve nothing and would only delay the solutions which would have to be found sooner or later and would then have to be much more drastic as the situation would have worsened.

In choosing to fight inflation, the government does not want to delude the Canadian people or to give them false hopes. It does not want to mislead the people into believing that inflation is not a problem. As you know, inflation could be compared to obesity. When an individual starts to gain weight, he does not necessarily consider this a major problem, but as he puts on additional pounds, his body loses flexibility and the obese individual will eventually realize that he must radically change his way of life. Of course, there are many degrees in the efforts made to lose weight. An overly drastic diet could make the patient's condition worse. I believe that the same applies to the economy. That is why the government has chosen a gradualist approach, a monetary and fiscal restriction strategy tempered by equity, and indeed an economic policy which fights inflation while avoiding the extremes which would cause more serious damage to those who have problems or which would simply feed the flames of inflation. If we truly

want to fight this economic ill which can be compared to obesity, we must reduce inflationary pressures as well as the total demand for goods and services. We believe that this first form of restriction must be applied by the government to its own activities. In 1982-83, the growth rate of government spending will go down to 11.7 per cent, which is lower than the inflation rate.

In other words, if we consider the inflation rate and the rate growth of government expenditures, in real terms there will not be an increase in public expenses. Now what about the reduction of the deficit? The deficit was $13.4 billion in 1981-82, it will be $10.5 billion in 1982-83. As a result of this lower deficit the cash requirements of the government will be lower, and there will be a very significant reduction in the borrowing needs of the government, from $9.8 billion in 1981-82 down to $6.6 billion in 1982-83. The direct consequence of such lower cash requirements next year will enable us to seek less capital on the markets. This partial withdrawal by the government will relieve pressure on interest rates and the declining trend we have been witnessing will continue.

In addition, it will be easier for the private sector to borrow on a less active financial market. This possibility of easier borrowings will pave the way for job-creating investments which will be a shot in the arm of our economy. I mentioned restrictive measures to fight against inflation. I also said that those restrictive measures are being taken while keeping in mind our concern for equity. It was in that spirit that the Minister of Finance announced in his budget speech that he would maintain full tax indexation, the indexation of basic exemptions of the tax rolls as well as the worthwhile indexation of social programs. The 1982 indexation rate will be 12.2 per cent. In terms of purchasing power, the indexation of the tax rolls means that Canadian taxpayers will get refunds in excess of $2 billion.

Therefore, through indexing, the government will be protecting the purchasing power of Canadians in 1982-83, by over $3 billion. It could have ended the indexing of such programs and cut back the deficit by an equivalent amount. But it considers that such a move would have disastrous social effects since the indexing of income tax and social programs is specifically designed to help those who are hardest hit by inflation. The theme of equity upon which, among others, the budget is based will also take the form of selective measures to help those who are hardest hit by high interest rates. Indeed, the Minister of Finance has announced the implementation of a program to facilitate mortgage renewal. The government is prepared to guarantee the terms under which financial institutions will defer part of the interests incurred when mortgage payments exceed 30 per cent of gross income.

Furthermore, in the case of home owners whose mortgage debt could reach unduly high levels as a result of interest deferral, the government proposes to provide assistance in order to reduce or completely eliminate this deferred interest. The government will also be encouraging the construction of rental housing. It will provide interest-free loans of up to $7,500 per unit for 15,000 units allocated to tight markets across Canada. These units will be over and beyond the 25,000 units provided for by the Canada Mortgage and Housing Corporation under its co-operative and nonprofit housing program. The Farm Credit Corporation will also be able to offer loans at 5 percentage points below its normal interest rate through a special $50 million allocation set aside for this purpose.

The budget also contains a series of provisions for small businesses, and these provisions were described yesterday by the Minister of State responsible for small businesses in a very important speech. The government has been selective in distributing aid to various groups in Canada. It would be totally inconsistent of the government to set up subsidy programs for all groups that are affected by present interest rates. Such a policy would be very costly, while feeding inflation as well. On the other hand, if the government were to protect all those affected by interest rates by giving them subsidies, it would not be getting at the cause of our high interest rates and would only provide temporary relief. In fact, giving subsidies to all and sundry would merely create the illusion that our present inflation rate is not serious and that we can go on living as if it did not exist, since the government is going to compensate for high inflation. The government has decided to give selective aid, because inflation and the resulting high interest rates often affect those who can least afford such problems. In fact, the government has introduced the programs I have just described in order to eliminate cases of inequity.

The present monetary and fiscal policies are aimed at deflating inflationary pressures and are involved in a joint effort to reduce inflation. Reducing inflationary pressures is a prerequisite for reducing the high interest rates we are experiencing today. The government cannot fight inflation alone. The strategy for fighting inflation requires all economic partners to make their contribution. High interest rates are a temporary problem if we get at the root of this problem, namely inflation.

I feel, Mr. Speaker, that the most positive attitude the members of this House could take would be to support the policy of restraint described in the budget speech of the Minister of Finance, a policy that is aimed at bringing down inflation and hence interest rates.

● (1630)

[*English*]

Mr. Geoff Scott (Hamilton-Wentworth): Mr. Speaker, I rise to participate in this unfortunately timely but very important motion by my friend and colleague, the hon. member for St. John's East (Mr. McGrath). I wish to focus my remarks on that portion of the motion which deals with the worst housing crisis since the Second World War, and specifically on the

presence of urea formaldehyde foam insulation in 100,000 Canadian homes and perhaps even more.

The presence of UFFI exacerbates an already critical housing situation. Since we are dealing with this housing crisis, particularly the crisis which affects those unfortunate enough to have had this foam put into their homes, I would like to make an aside here, that I realize it is difficult for ministers and, indeed, all Members of Parliament to be present in the House of Commons on all occasions when there is a crucial debate going on. I think that when the official opposition sets aside an entire day on a matter as crucial as the housing crisis Canada is going through, it would be courteous for the minister responsible for housing to be in his place to be able to hear some of the cases of hardship we want to bring to the attention of the government, and perhaps be able to get some information from the government on what it plans to do to redress these hardship cases.

This government has consigned at least 100,000 home owners, which could mean anywhere from 250,000 to 300,000, maybe half a million, Canadians, to the ranks of the untouchables, the lepers of the housing industry. For a great number of Canadians the presence of UFFI means not only a health crisis and a structural risk—because the unstable product does cause corrosion—but for many, many people it is an economic catastrophe.

My repeated questions in the House over the past few weeks and months on the UFFI matter may have sounded like a broken record, but this Liberal government has broken all records in terms of the home owners' misery index. There will be one million home owners with mortgages coming due this year. About 10 per cent of those home owners will be having genuine difficulty renewing their mortgages, getting them guaranteed, indeed, even trying to sell their homes.

Attempting to answer questions in the House on November 24, the minister for housing, who is responsible in the House for Canada Mortgage and Housing Corporation, stated that nothing has changed with respect to CMHC housing mortgages. However, he failed to point out that CMHC had considered refusing to guarantee mortgages for homes with foam, according to one senior official, but found it necessary to continue insuring them. Then the minister of housing had the gall to suggest to the news media outside the House that it would be prudent of the legal profession and prospective home buyers to find out what kind of insulation is in those homes so as to know whether urea formaldehyde foam is in them.

I would like the minister to tell me who is buying those homes, since he must be aware there are homes in Toronto, Ottawa, Vancouver, St. John's, London, Waterloo, Hamilton, St. Catharines, everywhere in this country, that are not marketable.

Let me read part of a letter, Mr. Speaker, from a home owner in North York, Ontario. This letter is from a large real estate firm and is addressed to Mr. and Mrs. Frank Spitzer, 20 Hilltop Road, North York. The letter says:

> You have a lovely home with nicely proportioned rooms, and it is in excellent condition. While it would, under ordinary circumstances, be an extremely desirable property, and hence very saleable, it is with regret that I must inform you that because of the urea-formaldehyde insulation you had installed, it would be futile for me to take the listing, as there would be little hope of selling it even at a price far below market value.
>
> I am sorry that we cannot do business at this time, but it would be unfair for me to give you false hope about the marketability of your home.

Let me read another letter from Mr. Larry Gee of Point Clair, Quebec. This is from another large real estate firm, A.E. Lepage, and it states:

> It is certainly unfortunate that although all of these indications suggest a market value of $42,000.00, I feel that because of the type of insulation (ie urea-formaldehyde foam) in your home it would be virtually impossible to market.

Later in the letter it is stated:

> Since the insulation in your home appears to be impossible to remove without virtually removing the building, I would have to consider the building to be worthless. In fact it is a liability, as someone would have to spend money to effect its removal.
>
> The land value in the area indicates that your lot because of its location should sell for $15,000.00; however, the cost of removal of the building may have to be deducted from this amount.

Our office has become sort of an ombudsman headquarters for urea formaldehyde foam home owners across the country. I guess one of the saddest cases has come to my attention through the good offices of the hon. member for Erie (Mr. Fretz), from the town of Pelham. There is in Fenwick a senior citizen who has been hospitalized from reaction to the substance UFFI, according to her doctor's findings, and has had to have her home completely reconstructed. My colleague, the hon. member for Erie, informs me that her whole lifetime saving, everything she has right now, is $8,000. The cost to have the foam taken out of her home and to restore it to its original condition was approximately $18,000. This is a senior citizen, and according to the mayor of the town of Pelham, Mr. Bergenstein:

> For many, many people, as in the case of Mrs. Illes and several others in my Town, it is presently a personal disaster and I would urge all your respective levels of government to regard it as an emergency and respond appropriately—which means promptly!

That also means positively.

How will these people ever be able to sell their homes? How will they ever be able to obtain mortgages, even if they can afford them, when trust companies and banks such as Canada Trust, the Bank of Nova Scotia and the Toronto-Dominion Bank will not grant mortgages to those who want to buy UFFI insulated homes? In fact, the mortgage insurance companies of Canada will not underwrite any new mortgages on houses insulated with the foam. When the minister suggests that people are buying these homes, I wish he would tell that to the 100,000 home owners who have seen their lives' investments slowly sink beneath their feet.

● (1640)

Most Canadians insulated their homes to save energy costs and conserve the precious resources that we have in this world. About 100,000 to 125,000 home owners insulated their homes with urea formaldehyde foam, 40,000 under the CHIP program. It was a classic case of one arm of the government

advising people to use a substance which other arms of government had warned was an unhealthy and unstable product. This is the same government which had recommended its use and eventually banned it altogether as a hazardous product. Because people were concerned about conserving energy, they took the government at its word and insulated with UFFI. They have been hung up by the thumbs and left there by a government which does not seem to care what happens to these 100,000 people, and it could be as many as 200,000 or maybe 500,000 people.

Oh yes, we did have a test program of 2,400 homes out of 100,000. The tests were announced only when it became painfully clear to this government that those home owners across Canada could not be walked upon or pushed around. It is our understanding that the results of those tests are now in the hands of the government and indeed the Minister of Consumer and Corporate Affairs (Mr. Ouellet) suggested the other night that the preliminary results show a 13 per cent problem level in the province of Quebec and approximately 13 per cent in Ontario. My mathematical ability is lousy, but a rough calculation would indicate that 13,500 homes across the country could be affected. If that turns out to be the case, a 13 per cent trouble factor, that clearly is the group which the government should be considering giving financial assistance to now. Incidentally, the tests were conveniently scheduled to take place in September and October, after the summer heat and humidity but before the winter heating season is fully upon us. This is just at the time when the foam would be at its most relatively stable period. As I have said, at least 100,000 home owners are involved, affecting 250,000 people, and it represents at least 1.5 per cent of this country's meagre existing housing stock.

There is the possibility that on Monday the government may announce the second phase of its solution to the UFFI problem. A report out of Vancouver suggested that the government will look first to those people who identifiably have health problems, and then offer limited assistance to others who have foam in their homes. The report mentions a statement made by an unidentified official report of the Department of Consumer and Corporate Affairs. It states:

> The unidentified official says there is no doubt the federal government feels a moral obligation to assist home owners who took government advice and insulated their homes with foam.
>
> He says the primary consideration for compensation will be medical, followed by some degree of financial help related to costs incurred in having the foam removed.
>
> He also says home owners cannot expect full compensation because the costs would be prohibitive.

Well, that is not going to be good enough for those people who live in these homes, who have invested all their life savings and who expected to enjoy good health in their homes in the ensuing years.

The question is whether they will be able to sell their homes for what they were worth. I do not think so. I do think the government has a great moral, legal and financial obligation to compensate those people who are experiencing difficulties as a result of having UFFI in their homes. I do not think that those people who have a clearly identifiable problem will be too happy at the announcement to come Monday, which could very well be too little and too late.

In closing, I would like to say that I intend to support the motion before us and to vigorously vote non-confidence in this government on behalf of 100,000 home owners who have UFFI in their homes and who would, if they were standing in my place tonight, also vote non-confidence in this government.

Some hon. Members: Hear, hear!

Mr. Dave Dingwall (Cape Breton-East Richmond): Mr. Speaker, I want to stand today and address the opposition motion. The hon. member for St. John's East (Mr. McGrath) has raised a number of issues in this motion which deserve serious discussion. Unfortunately, when one reads the motion, one is somewhat appalled by one of the shortcomings in it. Perhaps it was not done intentionally and could be amended later on, but the fact is that although the hon. member talks about high interest rates, jobs, housing and the small enterprises of this country, he forgets to mention the root of the problem, which is inflation.

As you know, Mr. Speaker, inflation is running at a very high rate in this country. One of the contributing factors to high inflation is the deficit which this government is attempting to bring under control in a very reasonable way through its recent budget. It is my understanding and belief that by reducing the deficit, inflation will be reduced and will thereby have a direct impact on high interest rates. It should be said that members opposite, whether they come from St. John's East or from Oshawa, are not the only ones, nor are their parties concerned about high interest rates. We on this side of the House are equally concerned and I believe that we have now taken some action which will eventually alleviate inflation, bring it under control and impact upon high interest rates.

We need a lower deficit, Mr. Speaker. A reduction in the deficit will have positive effects over time on inflationary expectations through expenditure restraint and deficit reduction. The federal government is giving a clear signal that it intends to restrain the growth of its demands on the economy.

Another result from reducing the deficit is that the government will reduce its demands on the financial market, thereby making it easier for the Bank of Canada to achieve its monetary growth targets and restrain demands for credit in the economy. A reduction in the deficit, through restraint on government spending and increased taxes, directly leads to reduced demands for goods and services.

An hon. Member: And recession.

Mr. Dingwall: As prices are typically marked up on costs, the maintenance of some slack in product markets puts downward pressure on mark-ups and restrains inflationary pressures.

In his motion, the hon. member for St. John's East mentions certain added pressure which is exerted on the small business

community. One of the matters which has been raised in recent times is the question of interest deductibility. One of the criticisms is that investors in small businesses and those who invest in office buildings, factories and apartment buildings will be deterred by the provision restricting deductibility of interest rate expense from investment income.

There are a number of factors which deal with that particular criticism which I would like to state for the record. First, this measure does not deny a deduction. It only changes the timing of it, when it may be claimed. Borrowing costs on one asset may be offset against any investment income that the individual has from assets or other investments. The facts are that if the measure had applied in 1979, over 76 per cent of interest costs would have remained deductible immediately. Of the 1.3 million individuals who claimed the deduction, only 198,000 of them would have had their interest costs limited, and of these, 163,000 would have had their taxable income affected by less than $500. Only 7,000 persons would have had restricted interest expenses of over $5,000. For many of these people the tax rate cut benefits will offset the restrictions in interest expense deductibility.

● (1650)

Of the large number of individuals who invest in risky ventures or securities, most invest their own savings or have adequate investment income in total to be able to claim any interest expense on borrowed funds.

The revenues from this measure are being used to help finance reductions in tax rates which will reduce the top rate on capital gains from 33 per cent to 25 per cent on average and will increase the after tax return on risky investments. We must keep certain policy measures in perspective, and that is one matter on which I want to elaborate today.

The motion today alleges a lack of concern for home owners and renters in this country, but I think the minister responsible for housing as well as the Minister of Finance (Mr. MacEachen) have provided a sizeable amount of money and directed it in such a way that I hope—and I am sure hon. members opposite hope—will help alleviate some of the hardships Canadians are facing at the present time.

For home owners, growth in income means that most Canadians are able to renew their mortgages by adjusting their spending decisions. But for those facing the potential loss of their homes, the Government of Canada is introducing a program to help. For those home owners whose payments would exceed 30 per cent of their household incomes and who wish to enter into a deferred interest plan with their lending institutions, the government is prepared to guarantee repayment of this deferred interest up to $3,000. For home owners whose payments would exceed 30 per cent of their household income and who have yet to build up sufficient equity in their homes to support interest deferral, the Government of Canada will pay 100 per cent of the interest deferred under the guarantee plan to a maximum of $3,000.

Hon. members opposite have very graciously referred to the measures the Government of Canada is taking in relation to renters. A number of criticisms of government policies have been made. One particular criticism is that under the budget it will be more difficult for a small businessman to sell his business because it eliminates the so-called reserve provisions and thus imposes tax on capital gains at the time the business is sold, even if the buyer does not pay cash for the full purchase price. The fact in relation to that concern is that, as a result of the reduction in marginal tax rates, the maximum tax on a capital gain will now be only 25 per cent of the gain. The gain itself will invariably be less than the sale price of the business. Thus, the tax will be only a small proportion of the sale price, and the seller would normally receive at least some of the proceeds in cash, which he could use to pay the tax.

The seller may now choose to forward average the capital gain through the new budget provision so that it can be spread out and taxed in later years when his tax rate is lower. This provision will be of significant benefit to those who are selling their businesses on retirement and, with the lower tax rate proposed in the budget, will provide benefits similar to, and in some cases better than, those provided under the IAAC and reserve provisions.

In addition, the pre-budget rules provided a very significant tax deferral advantage to some taxpayers which was not generally available to all. This deferral advantage was of primary benefit to high-income taxpayers. The new forward-averaging system will allow averaging of the capital gain over many years without also providing tax deferrals which resulted in a few high income individuals totally escaping paying federal tax.

Another criticism was that allowing only one-half capital cost allowance write-off in the year an asset is acquired will reduce the cash flow of small businesses. That, too, is a faulty criticism. The measure thus merely alters the timing of depreciation but not the total amount. The amount of depreciation not allowed in the year an asset is acquired will be deductible in subsequent years. An hon. member opposite is nodding his head in agreement; I am glad he concurs in what I am saying.

Mr. Lewis: No.

Mr. Dingwall: The measure will not materially alter the rate of return on investment.

Mr. Lewis: Mr. Speaker, I rise on a point of order. My colleague suggested I nodded my head in agreement. I nodded my head in amazement.

Mr. Dingwall: It is amazing that that head could be nodded.

Canada's rates of capital cost allowance for assets such as machinery and equipment will continue to permit a faster write-off than in the United States. Canada's investment incentive overall will remain better for both machinery and equipment and buildings.

It was not a right that a business could obtain a full year's depreciation on an asset bought part way through the year. The pre-budget rule, for example, turned the two-year write-

off for manufacturing machinery and equipment into a write-off over as little as 13 months.

While the approach of basing depreciation claims on the exact month an asset bought is theoretically correct, the budget's one half rule on average gives the same results but is simpler for small businesses.

The thrust of the budget to reduce the deficit, and thus inflation and interest rates, is the best way to boost investment.

A number of inferences and assertions have been made by the hon. member from Oshawa (Mr. Broadbent). As we all know, he stood in the House of Commons today and very eloquently and compassionately echoed certain sentiments about certain individuals in this country who are suffering grave hardship. However, the hon. member unfortunately forgot to mention some of the measures this government has taken to help the less fortunate in this country. For his edification and for the edification of some other members of his party, I would like to deal briefly with a few of those measures.

Tax rates will be reduced for taxpayers with over $11,000 in taxable income. The current 9 per cent tax reduction will be changed to a flat $200 tax credit for all taxpayers, and married taxpayers will be allowed to claim an additional $200 for their dependent spouses. This means that approximately 620,000 low-income taxpayers will have their tax credits doubled to $400.

Mr. Orlikow: Tell us about the people at the top.

Mr. Dingwall: The Leader of the New Democratic Party unfortunately forgot to mention these measures in his remarks. His colleagues have forgotten that the child tax credit will increase from $261 to $293 per child. That was another measure included in the budget. Tax measures for 1982, including cutbacks in tax preferences and indexing, will bring reductions averaging $210 for almost 12 million taxpayers. A family of four will now be able to earn up to $15,000 without paying any tax. I think that is a commendable measure in the budget, and that ought to be recognized by hon. members opposite as well as by hon. members on this side of the House. Reduced unemployment premiums will increase the take-home pay of wage earners by some $200 million. This was referred to by the hon. member for Oshawa.

There are other measures to which I would like to refer (Mr. Dingwal). The hon. member from St. John's East (Mr. McGrath) stood in his place today and said that the Government of Canada should be spending more money on shelter allowances to help those in need. The hon. member cannot have it both ways. The hon. member for Etobicoke Centre (Mr. Wilson) has said that our main problem is inflation and that fighting inflation would reduce interest rates. The Progressive Conservative Party has sent out a letter across the country on its stationery asking people to contribute to that political party. In its letter the party says:

> But if we're going to force him into reducing government spending and reducing taxes—

On the one hand the hon. member for St. John's East says we should spend more. On the other hand the hon. member for Etobicoke Centre says we should spend less. The fund raising chairman of the Progressive Conservative Party says he wants a reduction in taxes and a reduction in the deficit as well. You cannot have it both ways.

• (1700)

The hon. member for St. John's East, who unfortunately is not in the chamber, talked about job creation. For his edification, I bring to his attention that the Government of Canada has provided significant economic benefits to the province of Newfoundland to ensure employment in that province, to try to reduce the high unemployment in that province—

Mr. Orlikow: Tell us about unemployment in Cape Breton.

Mr. Dingwall: That is true, there is a lot of unemployment in Cape Breton. I would say to that hon. member that it is the Government of Canada which is providing direct funds for the stabilization and continued operation of the Glace Bay heavy water plant and the Port Hawkesbury heavy water plant. The NDP at their last convention in a resolution said that the NDP support the phasing out of existing nuclear projects, including uranium mining. That is where they stand.

Some hon. Members: Shame.

Mr. Dingwall: Continuing with the various projects in Newfoundland, I bring to the attention of members the pulp and paper modernization agreement whereby the Government of Canada has provided $30 million to the economy of Newfoundland. The hon. member for St. John's East stands in his place, handkerchief in hand, but he does not mention the measures that this government has taken in a positive way.

The Newfoundland forestry agreement has provided an additional $47 million. The Newfoundland transportation agreement provided approximately $10 million to the economy of that province. My colleague from Humbert-Port au Port-St. Barbe (Mr. Tobin) just announced recently, in addition to the $26.5 million for the Canada Newfoundland industrial subsidiary agreement, an additional $5.5 million for that province.

Progressive Conservative members from Newfoundland have not recognized the great contribution that all Liberals from Newfoundland have been making in this House. They secured an extra $40 million from Parks Canada for road construction. Of course, large amounts of money have been deposited in Newfoundland for small craft harbours as well. In addition to these new agreements, there are some three or four existing agreements in tourism, agriculture and forestry, representing $13 million, $15 million and $14 million respectively, which have been directed to the economy of Newfoundland.

I object most strenuously to the charge that the Government of Canada doing nothing to assist in job creation or that it is not working to try and alleviate the housing problem and assist small businessmen. Unfortunately, the motion which has been placed before the House of Commons today is misleading and

deceiving and does not go to the root of the problem, which is inflation.

● (1710)

[*Translation*]

Hon. Roch La Salle (Joliette): Mr. Speaker, I may add, yes indeed, the member for Joliette, the only Progressive Conservative member for the only riding that, not long ago, decided to get its message across to a government that is causing a lot of suffering and will do so for a while yet, if we look at the replies we have had today. I feel that opposition days are an excellent opportunity for members to express their views and make comments and help the government side to correct its mistakes and clean up its act. Well, we are all convinced—and that probably includes members on the opposite side as well—that the present budget does not even provide the bare minimum. Businessmen in all sectors have lost confidence in the government, and the Minister of State for Finance (Mr. Bussières) is aware of it, the members are aware of it, I heard the hon. member from Newfoundland, I believe, who referred to projects in his province, but there unemployment is also unacceptably high.

Unemployment has reached unacceptable high levels in my province as well, and the outlook is not a happy one. It is not happy in Ontario either. There may be a few provinces in western Canada where the economic situation is a bit better. On this opposition day, we are to consider a motion of censure. How can we not blame the government, when so many Canadians are faced with a difficult situation they will not be able to solve in the medium term, and certainly not in the short term, and who will certainly not have a very happy Christmas or New Year? And earlier, the Minister of State for Finance definitely confirmed that interest rates would not go down and that it was not easy—we know that—but for heaven's sake, we have had this government in power for 15 years, and there has been a lot of discussion and they are trying to find a way to go to the root of the problem. Well, the root of the problem might well be—

Mr. Bussières: Mr. Speaker, on a point of order.

Mr. Deputy Speaker: The Minister of State for Finance on a point of order.

Mr. Bussières: I just want to remind the hon. member that he left out part of my sentence. I made a connection between interest rates and inflation, and I said that as long as inflation remained high, it was unlikely that interest rates would drop.

Mr. La Salle: Mr. Speaker, it amounts to the same thing. For ten years, this government has been promising us it would launch an all-out attack against inflation. The results are there for all to see today. Unemployment was created to reduce inflation, and now we have 1,300,000 unemployed, plus galloping inflation. That is what has been achieved by a government that has long outlived its usefulness. And the minister has no new statements to make on the subject, and I must say it is terribly depressing for Canadians who are aware of the situation to listen to this kind of news today, and it is certainly depressing for people like myself who are trying to persuade the members opposite to at least have the guts to tell their Minister of Finance (Mr. MacEachen): But you have not found the solution yet. However, out of partisanship these people will once again have to support and defend their government tonight, even if they may not be doing so with much enthusiasm. During the budget debate, I was listening to the member for Richmond-Wolfe (Mr. Tardif) and to the member for Sherbrooke (Mr. Pelletier) who severely criticized the Minister of Industry, Trade and Commerce (Mr. Gray). As usual, however, they voted in favour of a budget that is seriously affecting industries in their own ridings, Mr. Speaker.

Once again this evening, the Minister of Finance, who is giving evidence of even greater incompetence than his predecessor, will be applauded. This seems impossible to me, but the Minister of Finance will once again be covered for this evening, and the Minister of State for Finance has given us the same old story that he probably repeats all across Canada but which does not meet our needs or suggest appropriate corrective action. The hon. member for St. John's East (Mr. McGrath) is being criticized simply for having shown that our housing policies are clearly inadequate to meet Canadian needs, and not a single government member can deny it. There will be a housing shortage and therefore a major problem in this area, and I am certain that hon. members opposite know as well as I do that there will be a shortage in the coming year. I must therefore congratulate the mover of the motion for having introduced this subject in the House of Commons, and I hope that the government members will force the Minister of Finance to show at least some sympathy for those people who are now or who will be soon without a home. I am not exaggerating, Mr. Speaker. Those are the facts. Some will say: It is not easy. Of course not, but this is the issue we wanted to discuss today in an attempt to convince government members that they should show more human feelings than they have done until now by doing nothing.

The hon. member for St. John's East was quite right to raise this issue in the House. We are not saying that everything in the budget is unacceptable, but certain omissions are inexcusable, and as responsible members of this House and as a responsible party, we want to ask the government to seriously think about such basic necessities as housing. Of course, interest rates have been harmful; they have been fatal to the building industry. The hon. member for Longueuil (Mr. Olivier) is aware of it. It is obvious that interest rates have frozen the building industry and put thousands of people out of work. Consequently, there will not be enough housing units for all Canadians. Any self-respecting country or government should

be farsighted enough to provide at least this much. Not only are there more and more unemployed in Canada, but there is also an increasing number of people without a home because of an extremely dangerous product—and I shall get back to that later—but the government is doing absolutely nothing to help them except for a few tests with results to be published later. For the moment, some Canadians are without a home for lack of an effective housing policy, and matters have been made even more difficult because of high interest rates, as we must all admit.

The New Democratic Party accused us earlier of having nearly the same views as this government about economics. If the philosophies of our two parties have been somewhat similar, it still remains that on this side of the House, we have been able to make a choice when faced with the need to house Canadians. This is where we must make some choices and establish certain priorities to provide certain advantages to home owners, and this is what we had proposed. In 1982, home owners could have received a credit of $1,500 to help them face the present situation. But this government defeated us on this vitally important question for home owners, and it is important for home owners to realize it, Mr. Speaker. When we made that proposal, I recall quite clearly that our friends opposite blamed us, supposedly because tenants had been forgotten in the home owner tax credit bill. Obviously if this bill could have been implemented, home owners would have been quite embarrassed to talk about increases this year. But as they were left to cope for themselves, and as the Canadian public elected this government which then abandoned not only our proposal, but also their good intentions of helping tenants—

Renters have seen nothing coming from the floor of this House to help them cope with high interest rates. Thousands of home owners are losing their homes. Those who would like to buy a house cannot afford to, and the budget has no answer for them. Honestly, this must be recognized. The budget does not enable young couples to buy homes. And people are at a loss to keep the homes they have. Mr. Speaker, you are aware that the government will help some 10 per cent of the people affected, those facing bankruptcy. That is all. Their agony will be lengthened because their loan will be extended. What a solution! And there is nothing for renters in all that, Mr. Speaker. The government talks of 15,000 units when it is alleged that 265,000 units would be needed. This is ridiculous, utterly ridiculous.

It is important in my view that the issue be dealt with seriously, that we confront the government with it and urge government members to bring those responsible to their senses. I realize and understand that quite often, members of the House remain silent. I also realize their ineffectiveness about cabinet failures. But responsible members must confront some ministers with the problem. In Quebec also there are major problems. Quebec will account for 40 per cent of the bankruptcies. I know some member from my province will say: The Quebec government is responsible for that. Out of the total number of bankruptcies in Canada, 40 per cent happen in Quebec. For a Quebecer this hurts. But this government has been in office for 15 years. I have been here for nearly 15 years, but today they are in larger numbers, they are now 74. For that reason, they decided long ago to speak on behalf of Quebec. But let them do something for Quebec here. More than talk is needed.

There is a large number of ministers from Quebec. There are also many backbenchers. Recently I was in Montreal. On Montreal island in these last 15 years—a Progressive Conservative has spent a few days, but otherwise there are 22 Liberal members out of 22, with seven or eight ministers. This did not prevent Montreal from losing its position as Canada's metropolis. Are Progressive Conservatives responsible for that? Are New Democrats responsible for that? Mr. Speaker, somebody here is certainly not doing his job. Somebody here is certainly not finding the answers. They claim to know what they are.

In the circumstances, this allotted day could give members in this House an opportunity to bring the minister responsible to his senses. I will not say too much about the minister in charge of housing. He has enough problems these days, and anyway the hon. member for Saint-Jean has amply demonstrated his utter failure and incompetence in that area.

My colleague from Hamilton-Wentworth (Mr. Scott) also referred to the victims of urea formaldehyde, and all my friends in Quebec, all Canadians are aware of that major problem, but the government refuses to face the problem. I submit that this problem is of a social nature. We have a responsibility as Members of Parliament. The Minister of Consumer and Corporate Affairs (Mr. Ouellet) told us: When the investigation is completed, we shall see who is responsible and we shall expose him. It is not so, Mr. Speaker. We are told that it will cost millions and this is why the government is unwilling to deal with it. In my view, this is unthinkable! If it is true that the problem is costly, how can you expect individuals, these poor home owners, the breadwinners, women and children to go through the winter? The government has a responsibility. I mentioned a special credit, a loan, but those people should be helped if the government is humane but it believes that as a result of that inquiry it will be in a position to find the culprit. It will make the culprit pay. However, the government is asking those individuals to fight against that terrible problem. A heartless government alone can speak in such a way, Mr. Speaker. I would like to convince the hon. members opposite that they should compel the Minister of Consumer and Corporate Affairs to assume its basic responsibilities and as the elective representation of the people.

Mr. Speaker, I do not know whether the time allotted to me has expired—not yet. Then the problem exists, Mr. Speaker, and it is the matter now under consideration.

● (1720)

To allow these people, and this is what I am seeking from hon. members on the government side, to advise the ministers of inadequate or unapplied measures, and these people are aware of it, according to the remarks we hear nowadays. Unemployment will increase. I challenge one of you to deny the unemployment rate will be higher next spring. I think everybody agrees that it will be close to 20 per cent. Nobody says no, and I do not think that I am wrong by much, Mr. Speaker. They talk about increasing by the hundreds and the thousands the number of housing units for Canadians... There are some of them who will realize soon that they have no shelter over their heads. In the area of inflation, they say that interest rates will remain the same. Therefore, the government should do something to help those who cannot afford these high interest rates. They talk about getting the housing industry moving again with these interest rates. When inflation comes down, so will interest rates. We have been hearing this tune for the past 10 years, but people are suffering in the meantime. For this reason, I think that this opposition day will make it possible for us to recommend very special measures to the government to help at least those who are suffering most. There is no remedy which could cure the condition overnight, that is for sure. But there are people, for instance, who cannot wait until inflation comes down to 6 or 7 per cent. These people are going to suffer. They will starve. And I think that we must assume our responsibility in this respect. It is with this in mind that I urge hon. members to meet these social problems head on. There are major social problems in all our ridings throughout Canada. I am aware of this. But now we are asking the government to consider them. We seek, during this opposition day, to convince the hardhearted government members to introduce adequate legislation, so that Canadians may sleep in warm beds, live in comfortable lodgings, and obtain mortgage loans at rates they can afford. Of course, interest rates could remain high for luxury goods and services, on the assumption that inflation would be more likely to come down if interest rates remained high. However, an ever-increasing minority of Canadians need a decent minimum to live decently. With interest rates approaching 20 per cent, Canadians and Quebecers by the thousands like those who are now in the House will be laid off and will no longer be able to cope with these problems.

An hon. Member: Don't cry over that!

Mr. La Salle: I am told not to cry over that. I think this is serious, Mr. Speaker. There are Canadians who take this seriously and there are members on the other side who should take this seriously as well. That is what I have in mind when I say that and I do so with the best intentions in the world; to my mind, we ought to be able to discuss politics with the utmost objectivity, but we also ought to do it emotionally, inspired by the feelings which enabled us to gain the confidence of our public. In all those ridings which are represented by government members, the electors put their faith in them. Those men and those women promised they would form a good government, a government of men and women who would show respect for their fellow human beings, but that is not what is happening. We will stand idly by while maybe 25 or 30 per cent of the Canadian population will be living the worst experience of their lives right in the middle of the forthcoming holiday season, Mr. Speaker. We should do everything we can to try and force this government to respond in a more respectful, more charitable and more compassionate way to those groups of people who cannot take it any longer. That, Mr. Speaker, is our problem in Canada right now. Let no one ask me to have faith in a government which has been failing so miserably for the past 15 years, which has inflated its deficit and boosted the number of people out of work; a great many plants are closing down and things are getting worse every day. They bragged about 110,000 new jobs, but they did not say how many jobs had been lost during the same period. We are moving backwards and people are suffering. This is an opposition day and once again I hope—I will not ask for a time extension—I echo from the bottom of my heart, Mr. Speaker, the wishes of thousands of electors in Quebec and in Canada. People tell us that the situation is bad and they wonder what is going to happen. We cannot answer that, but what we do know is that some people will not be able to join the festivities like the others, they will not be able to eat like the others; those are basic rights, Mr. Speaker, but they are being thwarted by an economic policy which has turned out to be a monumental failure. That is clear. Let us reassess our priorities and help the most needy. The hon. member for Frontenac (Mr. Corriveau) agrees with me, I am sure of that, and in his riding as well there are people, farmers who are now worried because problems which should be solved are not being solved, and for the residents of Frontenac as well as those of Joliette I hope they will be solved. I would invite those people to put pressure on the ministers responsible and urge them to find some kind of solution; it may not be a component of an over-all policy but it will have to be modified because the over-all policy falls far short of the mark, something which Quebecers and Canadians, thousands of Canadians, are aware of, just as most members are, here in this House. Unfortunately, Mr. Speaker, the other side has the majority and they would rather glorify a finance minister who shows such incompetence and lack of compassion for the Canadian people.

Mr. Deputy Speaker: The hon. member for Longueuil on a point of order.

Mr. Olivier: Mr. Speaker, through you, I would like to ask the hon. member for Joliette if he would allow me a question. With the unanimous consent of the House I would like to ask a question on what he has just said.

Mr. Deputy Speaker: The time allotted to the hon. member for Joliette has expired. Is there unanimous consent?

Mr. La Salle: I think the hon. member for Longueuil should address his questions to the Minister of Finance, Mr. Speaker, since he is the one who delivered the budget, not I.

Mr. Olivier: Mr. Speaker, on a point of order.

Mr. Deputy Speaker: The hon. member for Lac-Saint-Jean. The hon. member for Joliette has not allowed the question.

The hon. member for Longueuil on a point of order.

Mr. Olivier: Mr. Speaker, the hon. member for Joliette, whom I listened to, mentioned the hon. member for Longueuil twice in his speech.

Mr. Deputy Speaker: The hon. member for Lac-Saint-Jean.

Mr. Pierre Gimaïel (Lac-Saint-Jean): Mr. Speaker, I am sure that my colleague, the member for Longueuil, will have a chance to rise on a matter of privilege tomorrow to raise the point he wishes to discuss. To the member for Joliette, I would like to say that I find it very stimulating to follow a French-speaking member. It is the first time this has happened to me since I became a member of this House. Unfortunately, I think Quebecers have lost confidence in the Progressive Conservative Party and have never really had any confidence in the New Democratic Party. They do trust the Liberals, which is good for the province but makes it less interesting for us Liberal members, since we never have a chance to answer a francophone member when we take the floor.

Before discussing the motion introduced today, I will start with the small fry, the rump of the House, the New Democratic Party. I was listening just now to the eloquent speech by the Leader of the New Democratic Party who was launching his strongest arguments against the government's budget, its mortgage rate policies, and against every conceivable fault the government might have.

It seems that the Leader of the New Democratic Party is against the budget policy and the mortgage rate policy of the Liberal government. If he does not agree with the government, why wasn't the Leader of the New Democratic Party in the House on December 8 when we voted on the budget, in order to vote against it. I think this neatly characterizes the party. I am against but I will not vote against, or I am in favour but I will not vote in favour. Or else, I am voting in favour, but I am against, or I am voting against, but I am in favour. The epitome of indecision! A party that includes, among its members, people with a negative outlook, highly trained intellectuals who are supposed to bring this country to a certain kind of socialism which is not clearly defined and which flirts from time to time with communism, when their leader is meeting international communist parties or other kinds of communists when he is travelling in Salvador. We do not need that kind of party! We do not need them because Canadians will not build a country for the future with that kind of help. I am very serious about this because for a long time, for 18 months, I have been watching this party that has no face of its own—

[*English*]

Mr. Orlikow: Tell us about the unemployed in Lac-Saint-Jean. Talk some sense.

Mr. Gimaïel: I tell people who voted NDP in the last election to look at the vote on the budget on December 8, 1981, and they will realize that the hon. leader of the New Democratic Party was not present. That is further proof that that party is a no-decision party. When it is time to take action, they are not present.

[*Translation*]

That is simply unacceptable. I also have a few words for a friend of the New Democratic Party, the leader of the Canadian Labour Congress, Mr. McDermott, who likes to visit Parliament Hill and who, as the leader of Canadian workers, is doing more than anyone else to harm their cause. Mr. McDermott is no longer a union leader, Mr. McDermott is now a politician—a politician doing what? He makes workers go on strike and lose money, and he comes here to support a political party that is decadent, has no positive contribution to make and would have us believe that it represents the workers of Canada. No, Mr. Speaker, we do not need such allies because the real challenge of this country will be to rebuild for the future. When we speak about inflation and high interest rates, what does it mean? It means aging industries. We need a new economic structure. There is sometimes talk of renewing our labour structure and relations. Can Mr. McDermott help us reorganize labour relations and find positive solutions? Certainly not! He has always clearly stated that he wants nothing to do with the government, that he is there to fight and that he is simply acting as a messenger of the New Democratic Party to try to manipulate workers so that they will vote for that party even though he never succeeds. This is something that I wanted to mention.

• (1730)

As for the motion introduced by the hon. member for St. John's East (Mr. McGrath), this is what we find in the first few lines:

> That this House censures the government of its perpetual, excessive, and ineffective reliance on a high interest rate policy, which has not only—

—and so on. Strangely enough, when we have these opposition days, no constructive suggestion is ever made saying, for instance, we, of the Progressive Conservative Party, would like to work with the Canadian government to bring solutions to the problems facing Canadians. Why are we being censured? The government of Canada is being censured because the dollar has not gone down by one cent in the last year in Canada while the currency has gone down by 20 per cent, 25 per cent and 30 per cent in the countries who form the Europe

of the nine and who are saying: There are nine of us and we are strong enough to resist the pressures of American interest rates. Who pays the bill when a currency goes down by 20 per cent, 25 per cent, and 30 per cent? How much would it cost to purchase ordinary consumer goods, such as automotive parts, oil, and everything that we import like sugar and steel, if our dollar had fallen by 25 per cent in 1981? Who is the hardest hit in such a case? Not the millionaire! It makes no difference to the millionaire if gas costs $2 or $4 a gallon. It makes no difference at the end of the month. It only means lower taxes.

But for the poor, the unemployed, the person on welfare, what would their position be if the dollar went down by 25 per cent like the French franc has done or even like the great German mark, which has suffered an incredible fall last year? These countries have tried to follow another policy than that which was needed in the interest of the population. They believed that the nine countries together were strong enough to withstand the import of American interest rates. Just look at the result. I believe that we have to realize, Mr. Speaker, that when we speak of interest rates in Canada, only the rich can afford to borrow. Do not try to borrow if you do not have any money, Mr. Speaker. If you try it, the bank will tell you: Even at 2 per cent, you will not get a loan. The rest of the population is forgotten.

I heard the hon. member for Joliette (Mr. La Salle) speak earlier about over one million unemployed. Yes, but are you forgetting them? Ask those people if they are able to borrow, even at 2 per cent! Those are the people the government is protecting by telling the others: Even though for a while interest rates are higher, and you are facing the impact of a difficult policy to support our dollar, in so doing you are supporting your children because most of the time, unfortunately, the children of people with money do not work. The father has a job, a good income but the son is unemployed. This is the problem we are confronted with, because of our obsolescent factories, because of job security, because provincial governments, such as the friends of the honourable member for Joliette, put forward legislation as the one under which there must one apprentice for every five journeymen. How is it possible to think this opens opportunities for the young, Mr. Speaker? One apprentice for every five journeymen! No! What this government is trying to do is helping the people and getting allies to do so. And how are people going to be helped? The way the recent budget is doing.

Currently, farmers are entitled to the Small Business Development Bond program. This is one way of helping them. Those in difficulty are entitled to a five per cent rebate on the rate charged by the Farm Credit Corporation. And anyway, that rate is going to be revised downward as early as the end of December, and we are told that this five per cent rebate will be maintained. There have been many benefits: housing construction in areas where there is a need, the government will have build 7,500 new units.

People who are in danger of losing their homes, and I would like to say to my colleagues that I helped some of them recently, can now apply to the Canada Mortgage and Housing Corporation. The government will help them to keep their homes. We are intelligent enough to realize that it would be costlier to build new ones instead of keeping those which are already there. We are not that stupid. However, I heard a while ago the speech of the member for Joliette and I thought that such a speech would have been more appropriately delivered not in this House but in the legislature where he tried to be elected. When the member said that Montreal was losing its international status, I found it strange because five years ago Montreal was still the metropolis of Canada but it now appears that it is no longer the case. Five years ago, Montreal was still an international city, the proof given being the Olympic Games of 1976. Why is Montreal no longer an international city? For the simple reason that during the past five years the government has done nothing to help Quebecers, but is only interested in one thing, and we were again aware of this during the weekend, to build a new country at any cost and it was the party in power, the Parti Québécois, which during the weekend held its national convention Mr. Speaker. How long did they discuss the Quebec economy in the plenary meeting at that eighth annual convention? I give you a thousand guesses: They did not for one minute, not one second. Is not that weird? But that's the way things go under that government.

The government is trying to find partners to help it to solve the problems of Canadians. I heard the Leader of the New Democratic Party (Mr. Broadbent) say that we had not done what should have been done to help as far as housing and interest rates on mortgages are concerned. Can anybody tell us what the Saskatchewan government has done? Neo-Democrats are allegedly socialists, but what have they done to help poor home owners? Nothing. I am eager to see what the new Manitoba government will be doing and I remember, I still go farther than those so-called socialists, that not so long ago, they were still discussing there whether the equality of sexes would be recognized.

One of the two premiers who dug in his heels up to the very end was Mr. Blakeney, a member of the New Democratic Party in Saskatchewan. What kind of socialism is that? And the great discovery these governments have made, and I include the government of Quebec, because everybody in Quebec has heard this for the last five years, they have discovered that whatever goes wrong, the federal government is to blame. We, the provincial governments, are elected but we have no powers; you elect us for the sake of tradition because you have to have a leader, but all the power is in Ottawa.

Well, I have the impression that people are starting to get the message, but it is not exactly what they meant to say. The message is, I think, that when something positive is done such

as health insurance legislation, access to post-secondary education, hospital insurance legislation, it is initiated by the Canadian government which tells the provinces: This is what you are going to do to improve the wellbeing of your citizens. People are starting to understand, and I am reminded of the people in Montmagny who are having all kinds of problems as a result of the economic situation. And whom do they ask for help, whom do they ask to make their region a designated area? Not the members of the government of the province of Quebec, they know they won't do anything to help them. Those people are only interested in one thing, their nation and their flag. What happens to Quebecers does not interest them in the least. They went directly to the Canadian government which has proved, and is continuing to do so, that it is interested in taking action and helping individuals to develop in a liberal sense and to live without constraints in this country. It is really nonsensical that the opposition parties in this House should join the provinces in telling us that everything that goes wrong in Canada is the federal government's fault.

I would like to draw the attention of my hon. colleagues to the fact that there are several Conservative governments in place in other provinces. What are they doing to improve the economy? I will tell you what they are doing. The Premier of Newfoundland is very willing to come to Ottawa to sign agreements with the Minister of Regional Economic Expansion (Mr. De Bané) when the federal government foots 90 per cent of the bill. But what kind of a budget do they fish out of their fertile little imaginations? Right now there are all sorts of suggestions and speculations being made over the fact that the Canadian government, through its budget, is hitting hard at this or that group, but that completely ignores the fact that 12 million Canadians will be paying less income tax next year.

Now, life insurance. What a terrible thing it is to defend the insurance companies, which pay 4, 4½ or 5 per cent interest. If you pay $25 or $30 a month in insurance premiums, at 4½ or 5 per cent interest, it would take you an awful long time to reach the first $1,000 tax deductible. This will never be taxable. We are accused of the worst sins under the sun. The best advice I would be willing to give to my constituents, Mr. Speaker, would be for them to borrow on their life insurance, since they would get a loan rate of 6 or 7 per cent, which comes up to about the same as they get from the companies. That is one way of beating the high cost of money. The money is there, it belongs to everyone and anybody can borrow his or her own money at a normal rate, that is at a rate which allows the company to make a certain profit and which is related to the yield that money has produced for the individual.

Members opposite find this quite amusing of course because any constructive proposal makes them laugh. They are not here to represent their constituents, they are here to fling abuse at the government. They completely ignore the fact, for instance, that Canadian farmers, dairy farmers, have told the government: "We think you have a good, an excellent dairy policy; let us have it for another five years. And it is very good". Members opposite would never dare tell that to their constituents. It would be sinful to say that the government has a good policy, because it would be awful to have to tell everyone the truth. That is the kind of attitude which undermines this country, which is responsible for the fact that we have a leader on the other side who is just an immature politician who is merely concerned with making trouble, having fun at the expense of everybody else, showing through childish antics that he is still the best.

What is even worse, and what I cannot fathom, is that after Canadians have told him that they wanted him no longer as their Prime Minister, that nine months had been long enough, that the labouring pains had been too unendurable and that the pregnancy had been too unbearable, the people who sit behind this man continue to endorse him. That is unbelievable! What will Canadians have to do to show them that they do not want their leader? Perhaps send them a series of telegrams or ask Mr. McDermott to come back, but this time to support his NDP colleagues against the Leader of the Opposition. That may be a solution for he enjoys travelling around. He cannot find time to review his files, but he does get around. That may be a solution.

An hon. Member: Let's have an election!

Mr. Gimaïel: Yes, an election. Let us talk about elections. Mr. Speaker, those people simply love elections. They were in office and could have stayed there for four years. They introduced a budget and said: The Liberals are bluffing, they will not vote against us, we will have them approve a budget as if we were in a minority position and, at the worst, we will call an election and do as the Right Hon. John G. Diefenbaker once did—after nine months we will be in a majority position. The people got the picture, Mr. Speaker, and I hope the members of the opposition got the picture as well: Canadians do not elect governments to call elections, they elect governments to look after the administration of their country. An election is a democratic tool, not something everybody enjoys because it gives him or her an opportunity to go on a campaign. We should not think that Canadians enjoy the fun of listening to politicians talking through their hats and making speeches here and there. No. Canadians accept the fact that politicians do exist and want to talk to them now and then, because they need people to administer their country.

Fortunately this country goes on growing, expanding and developing, showing ever more respect for the individual citizen regardless of his or her language, colour, race and religion; Canadians have been fortunate over the past 20 years because the Liberals have been in power in their country. The only thing I ask from the people is that they understand the nature of political liberalism. I would strongly urge them to elect Liberal governments in the provinces so that we will no longer

be alone to work for the wellbeing of Quebecers and of the other citizens of this country, so that we will have allies whose sole objective will be not to promote their own credibility or prove that they wield more power than the Prime Minister of Canada (Mr. Trudeau). Let us elect Liberals everywhere in this country and we will see that problems such as the ones we have today will be much fewer and we will come up with solutions to help the most disadvantaged people come to grips with all those problems.

● (1740)

[*English*]

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, one of the advantages of having a Christmas break is that the hon. member for Lac-Saint-Jean (Mr. Gimaïel) will be able to return to his riding to face the truth. He will have to face the unemployed and he will have to face the hardship that people are experiencing caused by high interest rates. He will have to face the cost of this stupid, incompetent budget, the kind of incompetence that was expressed this afternoon by the Minister of State for Finance (Mr. Bussières). When hon. members on the other side are away from this place for a month of two, they will have to face what is going on out there.

Last night in Toronto the monetary policy of this government, financed in the green glass tower across the way on Wellington Street and sponsored by this government, was described to members of the Toronto Board of Trade. Over 600 very worried people were there.

An hon. Member: All Tories.

Mr. Blenkarn: John Grant from the Toronto-Dominion Bank, who is not necessarily known as a Tory, classified the government's policy as kamikaze monetarism. There was not one economist there who forecast growth for next year. Some economists forecast a 3 per cent negative growth in real terms. The best forecast and the most optimistic was for only 1 per cent negative growth. That is what we have coming.

We have just finished taking a look at the budget which stated that Canada will have a balance of payments deficit of $9.1 billion. No one would forecast that small a deficit in our balance of payments. The current forecasts for this year are for a deficit in our balance of payments of between $11 billion and $12 billion.

Why do we have that state of affairs? Let us go back a little way. When the Progressive Conservative Party took over as the government of this country in June, 1979, the current account deficit for 1979 was forecast to be in excess of $7 billion. As we worked through the fall on improving business confidence, the current account deficit for 1979 turned out to be less than $2 billion. Interest rates were high in Canada during that period of time.

Mr. Orlikow: They rose.

Mr. Blenkarn: Yes, they rose. They rose to 14 per cent.

Mr. Orlikow: They went up four times.

Mr. Blenkarn: Interest rates rose four times, but they remained lower than the interest rates prevalent in the United States during all of that time. There was confidence in Canada, and the dollar increased in value. But now what do we have? Since this government brought in its National Energy Program last year, there has been a massive outflow of capital from this country. Last year the outflow of capital resulted in a small balance of payments deficit. This year the balance of payment deficit will be nearly $12 billion.

What did we have to do to replace that outflow of capital? We had to go to the banks, the hot money lenders of foreign countries, to borrow, borrow and borrow, and we had to let our interest rates rise higher and higher and higher.

Let us take a look at where interest rates are today. The Americans can place T-bills on their market at 10.3 per cent. We placed our T-bills on our market today at 14.93 per cent. We pay 4.63 per cent more than the Americans do.

Let us look at what commercial borrowers have to pay on bankers' acceptances. Commercial borrowers in the United States borrow money at 11.6 per cent. Borrowers in Canada pay 16.85 per cent, or 5.15 per cent more interest than borrowers do in the United States.

Let us look at the European Eurodollar market. It costs 12.5 per cent to borrow money on the Eurodollar market. But the prime rate in Canada is 17.25 per cent. Why is that? You can borrow money on the LIBOR market for 12.75 per cent, but the prime rate in Canada is 17.25 per cent.

Yesterday I asked the minister in charge of this debate why he could not do something about this prime rate problem. He said "You have to understand banking. You are too ignorant. You do not know any better".

● (1750)

I want to tell you what is wrong with the government. Business has lost confidence and the banking community cannot borrow money in Canada for any less than about 4 per cent to 5 per cent more than it can in the United States. The government cannot bring American money, European money, German money or money from whatever country to finance loans in Canada cheaper because people do not have confidence in Canada. People are taking their money out of Canada. That is what is happening.

The only way we can keep money in the country is by keeping a high interest rate policy to balance off that horrid balance of payments problem that the government's incompetence has created. It has been created because of the lack of business confidence, first, in the National Energy Policy and second, in this budget.

This budget again attacks business, entrepreneurialship, growth, progress and job creation. Our economy is damaged by political divisiveness in this country. The government is always trying to have a war with the provinces, and now it has one going again with the province of Quebec. Statements coming out of that province are again hurting and driving business and capital from Canada. On the whole front, politi-

cal, economic and business, this government is driving money out of the country, and the only way we can keep money in the country is by raising our interest rates higher, higher and higher.

The government says it is doing this to maintain the value of the Canadian dollar. We are maintaining the value of the Canadian dollar all right, but we are maintaining it artificially high, because on any realistic interest assessment on world interest rates, our dollar, unless we are prepared to pay the premium we are presumably being forced to pay, would have declined and declined considerably.

This government tries to hide its incompetence in management by artificially keeping the dollar higher than it would normally be, and that situation will continue if this country is managed the way this government wants to manage it. There is no reason for our dollar to go below 84 cents or 85 cents. Managed properly, there would be an inflow of capital into this country to take advantage of the resources of Canada, the real wealth of Canada, and to make this country grow. Surely there are people who are hungry in the world; surely there are people who need our forest products; surely there are people who want the products we create. They are afraid to come here and create, afraid to come here and develop opportunities. We drive out the people who would explore and develop our energy wealth. We drive them out by expropriating, by double-taxing and triple-taxing them. We tax away entrepreneurialship and then we wonder why we have unemployment. We wonder why people have to pay enormous amounts on home mortgages.

We drive up the value of our currency artificially with our interest rate policy. We do not need to drive it up artificially. Our currency would rise with a decent economic policy, as it did when the Conservative government was in power. With these people in power, we are now paying nearly 5 per cent more than is being paid in the United States for equivalent money.

The government says the high interest policy is needed to curb inflation. How does it curb inflation? I suppose it curbs inflation by driving beef farmers to sell off their herds so that some people can find cheap meat temporarily, or by forcing businessmen into bankruptcy so there are bankruptcy sales. I suppose that is how they do it. I suppose they cut prices down by putting storekeepers out of business so they have to sell off their stock cheap. Maybe you can cut prices that way for a day or two, but the only real way to cut prices is by increasing productivity, and you cannot increase productivity by making it more difficult for a businessman to buy a new piece of capital equipment. You do not increase productivity by making it more expensive for him to raise money. You do not increase productivity by preventing interest from being deductible or by preventing a person from investing, or making it unattractive for him to invest in an insurance policy. That is the kind of thing we have coming from this government. We have a government that is against increased productivity.

What this government says is that it is going to force prices down and force inflation down by increasing interest rates. It says we have to build a new country so it is going to destroy everything we have and then start building everything again from scratch. You do not build by destroying and you do not build by putting people out of business. That is what this government is doing with its interest rate policy. It is putting people out of business and home owners out of their homes.

We wonder why wage rates are high and why we have demands for higher wages. I was talking to the president of International Nickel the other day and he said: You know, our people in Thompson, Manitoba, have been on strike for a big wage hike. I do not know what we are going to do. We will have to pay them more. I do not blame them for wanting more. After all, their mortgage payments have gone up $100, $200 and $300 a month in some cases, so they need more. How do I pass that on in the international nickel market? What can I do about it?

The government says high interest rates cut inflation. I will tell you what they do. They put people out of work and on unemployment insurance. I suppose they think productivity will increase when people are not working and are being paid not to work. The only way to attack inflation is to increase the productivity of the country, to produce more goods and services, and to have more things available, reducing the cost of producing things by using more machinery by more adequate distribution systems and by a better transportation system. Unless we have a government that is prepared to understand that this is the way we have to go, we will always have higher inflation.

As the government raises interest rates, the inflation rate will go up. That is what has happened. The inflation rate this year is higher than ever at 12.7 per cent. That is the highest rate the country has faced in ages. Interest rates are higher than ever. It is true that they are a little lower today than they were in August, but they are higher today than they were a year ago. Has this government done anything about these high interest rates over the years to bring inflation down? Not on your life. Inflation a year ago was running at about 10 per cent, and now it is running at nearly 13 per cent. We have had another full year of high interest rates and kamikaze monetarism. The government wants to destroy the whole system in order to make its theory work, but it is not working. It is about time the government woke up to the fact that it is not working and woke up to the fact that you cannot drive business out of the country, cut down on productivity and expect all of a sudden to improve our inflationary position. Unless these interest rate policies are changed, sir, we are going to have a very hard time in Canada for a long time.

[*Translation*]

Mr. Deputy Speaker: Order, please. It being six o'clock, I do now leave the chair until 8 p.m.

At 6 p.m. the House took recess.

High Interest Rates

[*English*]

AFTER RECESS

The House resumed at 8 p.m.

The Acting Speaker (Mr. Blaker): When the House rose at six o'clock, the hon. member for Mississauga South (Mr. Blenkarn) had the floor. I understand he may have completed his remarks. Accordingly I will recognize the Hon. Minister of Public Works (Mr. Cosgrove).

Hon. Paul J. Cosgrove (Minister of Public Works): Mr. Speaker, I will begin my remarks this evening by referring to the Speech from the Throne, as I have done on a couple of earlier occasions in this session, in speaking on the matter of housing. It was from the Speech from the Throne that the government took its mandate and made certain commitments to the electorate in an expression of that mandate. Some of those commitments dealt specifically with the issue of housing. I will quote these words, which deal clearly with the issue of housing, saying that the government would:

> ... act to assist those unable to bear the burden of renegotiating their home mortgages in the present abnormal situation so that the spectre of foreclosure will be avoided.

It was an undertaking that we, as a government, would act in these abnormal circumstances to prevent foreclosure. As I indicated, that was the undertaking and that was the action taken by the government in the budget provisions. We have done exactly what we said we would do. We have introduced, through the Minister of Finance (Mr. MacEachen) the Canada mortgage renewal plan which was designed specifically to respond to our undertaking as a government.

There has been criticism in the last few days of the design of the program. One criticism has been that we have not offered enough funding for the program. The Leader of the New Democratic Party has called for an expenditure of $750 million. He stated that we have not really met our undertaking. However, as I have indicated, the program is designed to implement what we have undertaken. It is a two-part program, a deferral of interest and a grants provision. The deferral of interest provision is a design feature of the program whereby those people who have sufficient equity in their homes are able to draw upon that equity to assist themselves, but with the assistance of the federal government backing the financial institutions across the country, thus enabling Canadians who heretofore were not able to use that device to avoid foreclosure by deferral of interest to a point where interest rates, as we all hope, will be lower than they are now. Certainly we hope they are at a lower level than they were during the months of August, September and October.

The other part of the program is the grants provision. It is part of the program that recognizes the difficulties for Canadians who have newly-acquired homes and who have entered into home ownership plans recently and have not built equity or have gone into home ownership in some markets where the equity in the home or the value of a particular project has not increased and they are unable to respond to their problems. In those cases where interest deferral does not apply, the government will provide an outright grant of up to $3,000 to assist those people who apply and qualify under the terms of the Canada mortgage renewal plan.

As well, the budget addressed a problem which has been raised by many members of the House. I would respectfully submit that it was raised by me early this summer in material prepared for my cabinet colleagues in which I expressed my concerns about the housing situation in Canada and envisaged where the concerns and the hazards would be the greatest in the next few years. After identifying the priorities in our concerns, the Minister of Finance responded by supporting the construction of modest rental accommodation across the country in those markets which have the lowest vacancy rates at the present time.

There is also support available for the construction of rental accommodation in areas where Canada Mortgage and Housing Corporation local officials and provincial ministers and their officials identify specific needs and anticipated growth, and in areas where it is obvious that rental accommodation will have to be supplied to meet specific circumstances. For that reason, the Minister of Finance introduced through the budget the provision of $350 million in funding for the Canada rental supply program. I had the opportunity of explaining these two programs to the provincial ministers of housing over the last ten days. I met with them in their legislatives offices, in their communities, in the various regions and in the various provinces to explain the planned provisions respecting mortgage deferral. I explained the intentions of our government with respect to addressing tight rental markets. I wanted to receive input from the provincial ministers as to how these plans would meet the problems they might have identified and priorized in their regions.

● (2010)

This morning I had the opportunity to meet with the hon. Neil Windsor from Newfoundland. Although I had previously visited his province on a trip to see the maritime ministers, he was not there. However, this morning Mr. Windsor indicated that if the rental supply program responded to his particular market, it would be a welcome program. He indicated that the mortgage renewal plan had what he felt were shortcomings. He would have preferred a program lasting longer than one year.

As many hon. members have done, he also commented on the fact that the program calls for people to use the equity in their homes to deal with the problem of high interest rates at renewal time. I think I have addressed that problem. The design of the government is to have a modest program to help Canadians help themselves in these abnormal times.

In a budget which shows a reduction in the deficit next year of some $3 billion and under a very controlled program of government expenditures, why did the Minister of Finance commit $350 million toward these housing initiatives? Unfortunately the Conservative housing critic is not in the House this evening.

Mr. Lewis: And you weren't here this afternoon.

Mr. Cosgrove: It is unfortunate that he did not join me, the chairman of the Quebec caucus and some hon. members from the province of Ontario when we met with a delegation which came to Parliament Hill on September 15. For over an hour we listened to the many stories of Canadians facing the problems of high rollover costs and the disruption of meeting interest rates much higher than those in effect when they took out their mortgages. If the hon. member had been there, I am sure he would have realized that through its programs the government was responsive to the needs that were expressed.

It is unfortunate too that the hon. member for St. John's East (Mr. McGrath) did not join in the debate in which I had the opportunity to participate in London, Ontario, a few weeks later. At that meeting, the Leader of the New Democratic Party (Mr. Broadbent), a colleague of the hon. member for St. John's East and I debated housing problems and solutions thereto before an audience of some 2,000 people. The 2,000 people there were very concerned about mortgage renewals. Present at that meeting also were Members of Parliament from the London area, and they also witnessed the concern. I might say that on that occasion the people expressed their concerns in a heated fashion. I had the delightful experience of being booed off the stage when I could not offer any facile answers and when I could not say, as the Leader of the New Democratic Party could, that I had a solution for every person in Canada with a housing problem. I was also booed while on the stage because at a time when my colleagues in government and I were considering our response and when we were in the process of preparing the budget and the government response about which I have talked I could not speak of those things. That was indeed an awkward time. However, as I say, if the housing critic of the Conservative Party had joined me on those occasions, he would have realized what it was that motivated the government to move in the areas I have described.

The finance critic of the Conservative Party, the hon. member for Etobicoke Centre (Mr. Wilson), did participate, and I found his words to be reasonable. I would go so far as to say they were supportive of the position of the government. On that very day the finance critic of the Conservative Party appeared on CTV's "Question Period", and this is what he said in response to the representations made by Canadians on that day:

> I would like to say that we can come up with a program that would help all Canadians who are hurt by high interest rates. We can't, it's too expensive, the government can't afford to do that, so what we can do is help that broad group of Canadians the government can't afford to help by bringing in programs that would reduce over-all levels of interest rates.

He went on:

> I think that the government should be helping a spectrum of people, but not the broad spectrum. We can't afford to do that in this country—

He went on:

> No, I don't think you can legislate the banks to do it because it's not just the banks... But I think that we should be trying to encourage the financial institutions to play a role here—

As I have indicated, our program is designed to enable Canadians to take advantage of equity built up in their homes to address their own difficult problems. For those who are not able to do that, we have a grant program—

Mr. Lewis: Mr. Speaker, I rise on a point of order. I refer Your Honour to page 117 of Beauchesne. It is very clear that it is not proper to quote from a newspaper during a debate in this House. I suggest that by quoting from CTV's "Question Period", and perhaps not doing so in context, it is as if he had quoted from a newspaper. According to Beauchesne:

> —a Member quoting a newspaper in debate was ruled out of order by the Deputy Speaker who said: "The rule is quite clear, that the quoting of a newspaper, an author or a book which reflects upon debate before the House, either directly or indirectly is entirely out of order, because Members are here to give their own opinions and not to quote the opinions of others—"

If the hon. member for Etobicoke Centre were here and were able either to substantiate or disagree with the minister responsible for housing, I respectfully suggest this procedure would be entirely correct, but only the hon. member for Etobicoke Centre knows whether the quotations being read by the minister are entirely within the context of what was said.

I suggest that any further quotations by the minister would be out of order and that the ones he has already made should be ruled out of order.

Mr. Deans: Mr. Speaker, I will be very brief on this point of order. I hope Your Honour will rule on this point with tongue in cheek in the same way the intervention was made.

Mr. Lewis: If I may, Mr. Speaker—

The Acting Speaker (Mr. Blaker): The difficulty is that the hon. member ought not to speak twice on the same point of order. If the hon. member strongly wishes to speak again, perhaps I could recognize him on a different point of order.

Mr. Lewis: No.

The Acting Speaker (Mr. Blaker): Fine. It seems to me that the hon. member for Simcoe North (Mr. Lewis) raises a valid point, subject to the continuation of the quotation in Beauchesne to which he referred. He referred to Citation 332. To continue from where the hon. member left off, it reads:

> —(Members) may quote an article or a book stating facts, but a commentary on any proceeding or any discussion in the House, with the object of swinging an opinion to one side or the other, is out of order.

The question is whether or not the quotations made by the minister qualify under the terms of a commentary on any proceeding or discussion in the House. The Chair will now take into consideration the hon. member's point of order and listen carefully to the minister to determine whether his remarks fit into that specific category. The hon. member rises on a fresh point or order?

● (2020)

Mr. Lewis: If I may—

Some hon. Members: No.

High Interest Rates

The Acting Speaker (Mr. Blaker): The hon. member for Simcoe North (Mr. Lewis) places me in a very difficult position. In the first place he asks me to apply the rules rather rigidly. In the second place he asks to speak twice on the same point or order, which is not permitted. I offered him the floor on a fresh point of order.

Mr. Lewis: On a fresh point of order, Mr. Speaker, I am sure you will take this into account. The quotation is referred to in the Debates of March 17, 1933, far before the time of TV.

Mr. Cosgrove: Mr. Speaker, the reason for my reference to the position taken by the finance critic, the hon. member for Etobicoke Centre was to say that I had the opportunity of engaging in a radio discussion with the hon. member for St. John's East to discuss housing matters earlier this fall. The point I wanted to make was that that call, request or admonition was that the government, in response to conditions at that time in September, should undertake, and I recall the words he used, a massive government intervention in housing.

I said in the House before that I have had a very difficult time reconciling, on one hand, the position of the Progressive Conservative housing critic with, on the other hand, the words of their finance critic which I have just quoted. I found it very difficult to reconcile this approach. Nonetheless, that contradiction does not surprise me at all. The hon. member for Etobicoke Centre, in speaking in the House, referred to that very area of government intervention. On budget night he said "It is not Conservative Party policy to support government intervention and certainly not massive government intervention".

Finally, in that vein, I am not surprised at the contradiction. I have before me a document which was requested by the Conservative government when in office not that long ago. I tabled it in this House in November of last year. It was the major thrust of that party when it had the responsibility for leading in the area of housing and all other government matters.

I refer to page 2 of the document. This shows what the government of the day, the Conservative Party, thought about housing. I quote as follows from the "Terms of Reference" of the document which I tabled in this House:

> Cabinet has directed that the task force study the potential for privatizing at least certain of the activities (as opposed to privatization of the corporation as a going concern), or encouraging the private sector to take a larger role in certain of the activities of CMHC. The task force report would focus on:
>
> (i) The policy implications of privatization in each case;
>
> (ii) The legal and financial implications of privatization;
>
> (iii) Alternate modes of privatization in each case with a discussion of a preferred modality;
>
> (iv) A proposed strategy and timetable for privatization.

What were the recommendations to the federal government which ordered the study for privatization? They read:

> Public Housing
>
> That the government commence negotiations with the provinces with a view to eliminating subsidies by January 1, 1982.
>
> Residential Rehabilitation
>
> That no further funding be considered for landlords until this section has been carefully reviewed.
>
> Non-Profit and Co-operatives
>
> That funding be withdrawn from both the public and private non-profit and co-operative programs with the thought of developing a more efficient delivery system of benefits—

I have daily representations from members on all sides of the House to increase this program. The government has increased the production of non-profit housing, or co-op housing to serve Canadians on modest income, multiple accommodation equivalent to rental accommodation from one side of the country to the other. When I met with the provincial ministers of housing, the request of the ministers was almost universal that this government, rather than withdrawing from the provision of non-profit housing, should in fact increase it. I introduced these comments to show that the approach of this government, in response to the representations that were apparent to all Canadians, has been to respond in a sensitive and sensible way to the housing need of Canadians at this time.

Criticisms and statements have been made by members opposite that we have the worst crisis since World War II. That is not true. The over-all vacancy rate for rental accommodation was lower in this country many times in the last few years.

Mr. Lewis: Give us the years.

Mr. Cosgrove: Nineteen sixty-seven, 1974, 1975 and 1976. The criticism is made of 100,000 people facing the risk of losing their homes and only 12,000 receiving contributions. As the Minister of Finance indicated, as the budget papers demonstrate and as I, as the minister responsible for housing for this government, say, the Canada Mortgage renewal plan is available to any Canadian facing the difficulty of mortgage renewal who qualifies for the assistance we have promised in that document.

The comment was made that $3,000 is scarcely enough to keep the sheriff from the door. I would point out that $3,000 equates with five or six points of interest rates.

In summary, the response of the government to a difficult problem has been a sensitive one. We have indicated that the government is listening. The government is addressing people, particularly those in need, and helping them in a way that involves not only the federal government, but provincial and municipal governments and the private sector.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, today we have heard from two cabinet ministers and a number of Liberal backbench members who have told us how great the economy is, what a wonderful budget we have had, how stupid and ignorant the members of the opposition are who are critical of the budget or the economy. In the almost 20 years I have been here, I have never seen such unanimous opposition to a budget from every group in society in our country. Can any member tell me an occasion when the Canadian Labour Congress and the Canadian Manufacturers' Association have agreed on anything? When did both of them agree with the

Canadian Federation of Agriculture and the Canadian Independent Businessmen's Association? All of them are unanimous in their condemnation of this budget. It is not surprising that the minister for housing, who just sat down, said that we have been in worse situations since World War II than we are in today. We have the largest number of unemployed and the highest rate of inflation that we have had since the "dirty thirties". Hon. members on the other side are trying to tell us that things are really quite good.

• (2030)

Mr. Cosgrove: Just check the facts.

Mr. Deans: These are the facts.

Mr. Orlikow: Mr. Speaker, these are the facts, and I shall come to them in a few moments.

I listened to the Minister of State for Finance (Mr. Bussières) this afternoon. What did he say? Inflation must be opposed. He did not use that famous, immortal phrase of the Prime Minister (Mr. Trudeau) who said a few years ago that we have wrestled inflation to the ground. No, he did not say that. Inflation is the main enemy. We must beat inflation. He argued that the government is opposed to an expansionist policy. It has adopted a gradual first approach. In order to fight inflation, the government will have to cut back on the levels of goods and services that it provides. Next year's rate of growth for government expenditures will be reduced to 11.5 per cent, which the minister pointed out, quite correctly, will be less than the rate of inflation. In other words, the minister is admitting that we will have at least 12 per cent inflation. That is a great thing for the Canadian people to look forward to!

We have heard these arguments before. We have heard these arguments in the 1930s. What is the response of the Conservatives? They want more cutbacks and greater restraint. I think they should both look at a very interesting situation which happened a couple of weeks ago. We had an election in the province of Manitoba. For the first time in the history of Manitoba a government was not re-elected.

The reasons for that are pretty obvious. The Conservative government that was elected in 1977 pledged to the people of Manitoba that it would be a government of restraint, that it would cut back on the activities of government and it would let the free enterprise system run its natural course. It would free the free enterprise system from the heavy hand of government. Therefore, Mr. Speaker, they cut back all the programs one can think of. They cut back on daycare programs; they cut back on programs for senior citizens; they cut back on programs for native people; they cut back on hospitals; they cut back on pharmacare. The people of Manitoba had four years to look at this. They said, "We do not want this". Therefore, they did not re-elect the Conservative government. That Conservative government believed and adopted the same kind of policies that the Thatcher government later adopted in Great Britain and which President Reagan has adopted in the United States. Those governments, in Great Britain and in the United States, will suffer the same fate as the Conservative government of Manitoba because people are not prepared to accept those kinds of conditions.

What is the policy of this government? The policy of the government has been very well explained by the Governor of the Bank of Canada. I have tried very hard during my years as a Member of Parliament not to deal with individual people but to deal with policies. I should like to say publicly, Mr. Speaker, that it comes with ill grace from the Governor of the Bank of Canada who has his office in an $80 million glass tower, who was receiving a salary of $95,000 a year and who in the last week or so received a 10 per cent increase. For him to lecture the ordinary people of this country and to tell them that they have to pull in their belts and that they will have to do without in order to beat inflation is saying, "Do as I say, not do as I do". I think that the people of Canada deserve better than they are getting from the Governor of the Bank of Canada.

Mr. Bouey is the Governor of the Bank of Canada because this Liberal government and the short-lived Conservative government wanted him there. They wanted him there because they believe the policies which he implemented and in which he believes, are the right policies. What are those policies? The Governor of the Bank of Canada and the Minister of Finance believe in those policies, even though it is obvious to everyone, except the governor, that the high interest rates that we have at the present time are driving us further into a recession. They have destroyed the construction industry; they are destroying the automobile industry; they have destroyed the farm equipment industry. But the Governor of the Bank of Canada believes, despite all the evidence that we have, that in order to get out of this recession and to beat inflation we will have to keep the interest rates high. He claims that this is necessary in order to fight inflation. He says that this is just a difficult period of transition and that it is needed in order to lower inflation. Again, I say that it is other people who will have the difficult period and not the Governor of the Bank of Canada.

A few days ago, in a speech he made in Montreal he said that we are in a weaker economic phase and that it does not mean that we should stop worrying about our underlying problem of high inflation and concern ourselves solely with the immediate problem of unsatisfactory economic growth over the near term. Then he said that present interest levels, the bank prime lending rates and the mortgage rates are at about 17 per cent and that this only looks high compared with past levels. If one has to buy a house and one is earning $100,000 a year, one can live with a 17 per cent or a 20 per cent interest rate. The continued high interest rate policy will do two things. It will add to the inflationary pressures in the economy and it will reinforce inflationary expectations. Any worker faced with a 12 per cent inflation who has any ability to negotiate his wages, will ask for a 12 per cent increase to enable him to hold his own and stay where he is. It will also cut deeper into our economic production, close down factories and throw workers out of work.

I should like to spend a couple of minutes on comments made by two Liberal backbenchers whom we do not often hear from. I heard the hon. member from Cape Breton-East Richmond extolling the virtues of the government and all the good things they have done. When I interjected and asked him to tell me about the rate of unemployment in Cape Breton, the hon. member did not answer. He did not give me the figures, Mr. Speaker, although I am sure he knows them better than I do. He answered me by taunting me with the fact—and this is true and I do not apologize for it—that the NDP is opposed to nuclear plants and to heavy water plants. That is true, Mr. Speaker. We are not worried, as are many people who are not in politics, about the effects for a year or two. We are worried about the effects of waste products from the production of power in nuclear plants for thousands of years to come.

I am pleased that the hon. member for Cape Breton-East Richmond is present in the House, because the rate of unemployment in Cape Breton is now 13 per cent, and I say to that member that it is a disgrace and it is unnecessary for unemployment to be at that rate in any part of this country. I say to the hon. member for Cape Breton-East Richmond that, instead of criticizing the NDP for opposing the heavy water plant, he should get after his Liberal government and the provincial Conservative government in Nova Scotia which between them have not put in the money necessary to modernize the steel plant at Sydney so that it can be a viable economic operation.

● (2040)

Mr. Dingwall: Mr. Speaker, I rise on a point of order so that the record will show very clearly that the New Democratic Party would like to see the Glace Bay and Port Hawkesbury heavy water plants closed, thereby throwing 900 people out of work. For the hon. member's edification, the Government of Canada provided moneys to the Sydney Steel Corporation to the tune of $96.2 million for renovations to that particular industry in my constituency.

The Acting Speaker (Mr. Corbin): Order, please. The hon. member raises a point of debate; it is not a point of order.

Mr. Orlikow: That is not a point of order, and I hope Mr. Speaker will take into account the time the hon. member used, when taking into consideration my time. The Liberal Government of Canada and the Conservative government of Nova Scotia put enough money into the Sydney Steel Plant so that it will not close down. The hon. member knows the point I am trying to make, that they have not put in the kind of money which will make the plant a modern, economic and viable unit. The hon. member for Lac-Saint-Jean (Mr. Gimaïel) asked what kind of socialistic party the NDP is. He made some references which I will not even attempt to answer. He suggested that somehow we are akin to a communist party. If the hon. member wants to know what kind of socialist party we are, he should look at the socialist government of France. President Mitterrand has made it very clear that fighting unemployment is more important than fighting inflation. President Mitterrand increased the minimum wage and the old age pension benefits in France. This is the kind of party we are. We are happy to be associated with the present government of France.

Let me turn to what I think is the most serious problem in the country, the fact that, according to Statistics Canada, in October 1981 the number of unemployed was 989,000. This was an increase of more than a 100,000 over the same period in 1980. The seasonally adjusted rate of unemployment was 8.3 per cent, an increase of eight-tenths of a percentage point over the same period last year. I wish the hon. member for Lac-Saint-Jean were present because he would know that the number of unemployed in the province of Quebec in the month of October was 320,000. That is a disgrace.

We must keep in mind that those figures do not tell the entire story. Between October and November in the province of Quebec 69,000 people disappeared from the labour force. They found that it was useless to look for work, and they just stopped looking for it. Once they stopped looking for work, they were not included on the list of unemployed because the figures of Statistics Canada are based on people who are not only unemployed but who are actively seeking work. There was no point in looking for work, so close to 150,000 people across Canada disappeared from the labour force. We have often talked about more than one million people being unemployed. Some hon. members of the House on both sides, depending upon whether they are in government or in opposition when they make the argument, frequently hear from professors who have good positions with tenure and fairly decent salaries and from some newspaper editorial writers who say that being unemployed is not very serious because there are unemployment insurance and welfare programs. They indicate, for example, that if a husband is not working his wife is, and that people are really not hurt or are trying to look for work.

During the Christmas-New Year's break last year I took the opportunity to meet some of the unemployed people in my constituency in an attempt to discover just what it meant to be unemployed. I should like to put a couple of illustrations on the record. First, I met a 57-year old man had worked for a milling company for 35 years; he never had another job. At the time the plant closed down he was earning about $8.61 per hour or $344 per week. His union had negotiated a good severance agreement, so he received one week's pay for each year that he worked, or approximately $12,000. Of course he received his unemployment insurance benefits, but his pension plan was not very good; his pension was very small. Let us assume that the severance pay and unemployment insurance would carry him fairly reasonably for a year. At age 58 he would be left with virtually nothing until he reached the age of 65 when he qualified for old age pension and the Canada Pension Plan. I should like one of the ministers to rise and explain to this man what he should and could do until he reaches age 65. The job opportunities for a man who is 57 or 58 years old are virtually nil.

Mr. Broadbent: Perhaps Gerald Bouey should explain it.

Mr. Orlikow: Yes, I would like Mr. Bouey to explain it. Second, I met a man who came from Portugal to Canada in 1959 because he heard it was a great country. Of course it is a great country. He worked as a labourer for approximately 15 years. From 1959 until a few years ago he was able to work between 8 and 11 months of the year. In 1980, thanks to a slowdown in the economy and thanks to the stop the then Conservative government of Manitoba put on the building of senior citizens homes, nursing home facilities and public housing, there was virtually no construction. In 1980 he worked only eleven weeks. His wife went out to work although she was not well. When I saw him last he did not know how he would manage. He was thinking about moving from Winnipeg, which he liked very much, but there was nothing for him to do there. These are the kinds of problems about which I wish ministers would think when they try to tell us that things are not very bad. There are people whose lives are being wrecked.

I cannot remember whether it was the hon. member for Cape Breton-East Richmond (Mr. Dingwall) or the hon. member for Lac-Saint-Jean who told us about how the budget proposals would help hundreds of thousands of poor people, the kind of people they represent. I know they will not believe anything hon. members on the opposition side say because, after all, supposedly we are partisan and will oppose anything they say. But I should like to refer to a position paper which was not developed by the NDP or some radical trade union. It was developed by the Canadian Council on Social Development which takes in almost every private and public organization in the welfare system. I should like to quote a few paragraphs from its analysis of the budget of the Minister of Finance (Mr. MacEachen). The first paragraph reads as follows:

> For taxpayers in the $50,000-$75,000 income group, the government will take an additional $105.6 million, but will lose $191,125,000. This means a net gain for this income class of $85,525,000.

In other words, the minister proposes to take from the middle class and give it to the rich. I wonder how many of these rich people live in the constituencies of the hon. member for Cape Breton-East Richmond or the hon. member for Lac-Saint-Jean (Mr. Gimaïel). The council states further:

● (2050)

> When we consider all taxpayers earning $40,000 or more, 98 per cent of the increased federal taxes resulting from the budget are redistributed within the same income category.
>
> While there is some equity in eliminating tax advantages that do not apply equally to all income groups, we must question the wisdom of this expenditure of tax revenues. For these upper income categories, the government is giving a whopping handout of $735 million, which is
>
> —almost half of the current federal contribution to provincial and municipal welfare programs;
>
> —almost as much as the proposed cutback of funds to health and post-secondary education;
>
> —and which by comparison would be enough to increase the Child Tax Credit by about $200, which would give additional assistance to Canada's working poor.

This is the analysis of the budget, in just a few sentences, of an organization which is not political or radical but which represents people who work with the people in Canada who need assistance because they are sick or old or poor.

Again and again we are told by the Prime Minister and the Minister of Finance, "We cannot afford it", and we are asked, "What do you propose?" One of the simple proposals which we have made is that the government receive a good part of the money from those who have it.

The Acting Speaker (Mr. Blaker): Order, please. I am sorry to interrupt the hon. member but I thought I had been indicating to him that his time was running out. Does he wish to seek unanimous consent of the House to complete his remarks?

Some hon. Members: Agreed.

The Acting Speaker (Mr. Blaker): That permission is usually given for a moment or two.

Mr. Orlikow: Mr. Speaker, I appreciate the offer. Let me be very brief and put on the record the fact that the profits of banks have never been as high as they are at the present time and that bank profits have increased by over 37 per cent in the last year. After taxes, the big five banks made profits of $1,640 million in 1981. That is an increase of about $500 million over what they made the year before. Not only are their profits very, very high, but they have also been permitted by this Liberal government to pay taxes at a very low rate. We say that to begin to meet the needs of people and to begin to find the money that the government needs to provide services for the people of Canada, it should be done by taking from those who have the money and those who are making exorbitant, unconscionable profits. It should be taken from the banks, as they can afford it.

Some hon. Members: Hear, hear!

Mr. Roy MacLaren (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, in addressing the motion of the hon. member for St. John's East (Mr. McGrath), I should first want to note that few among us would argue that Canada is somehow immune from the inflation and other economic ills which have overtaken every western industrialized country. Indeed, Canada, with its heavy reliance on its export trade for its prosperity, is particularly vulnerable to the adverse economic developments that we have seen elsewhere in an increasingly interdependent international marketplace. If one considers the economic situations of our trading partners and other industrialized countries, Canada is to be seen in an enviable position. Nevertheless, there are obvious economic challenges facing Canadians today. They require a determined effort on the part of all sectors of our economy to overcome them.

While it is true that world circumstances have a major impact on our economy, there are things we can do at home to meet the economic challenges, and the government is doing them. For example, the government has concluded energy agreements with the western producing provinces. Those agreements provide not only a promising climate for massive

investment in the oil and gas sector, but they will also bring benefits for the economy as a whole, including the manufacturing sectors.

We have recently forged a made-in-Canada Constitution which, among other things, will provide for the free flow of goods, services, capital and labour which are so essential to a strong and vital common market. We have also tabled a budget which is committed to overcoming the root cause of our present economic problems, namely, inflation. The budget is not a quick fix. It is a determined effort to minimize the difficult economic challenges we, as Canadians, face in the near future. At the same time, it will maximize our economic potential in the medium and longer term.

It would seem, judging from the motion of the hon. member, that some hon. members opposite have neglected to consider the broad economic benefits provided by the energy agreements reached with the governments of Alberta, British Columbia and Saskatchewan. Those agreements have created the underpinnings for our economic strategy for the decades ahead. Those accords not only provide for the further development of the petroleum sector, but for many other sectors throughout Canada as well. Indeed, the enormous economic spin-offs from the petroleum sector will provide for the greatest wave of capital investment in our history. Recent projections place investment at $1.5 trillion over the next decade, the great majority of which can be generated here in Canada.

We want all Canadians to share in the benefits and the economic opportunities of those accords. Accordingly, it was necessary not only to encourage Canadians to invest in their own petroleum sector, but also to strengthen the basic structure of our economic union. That, too, has now been accomplished with the approval of a made-in-Canada Constitution with a Charter of Rights and Freedoms.

The social and political ramifications of the charter are more obvious than its economic ramifications of that charter. Those economic elements will do much to ensure that all Canadians in the future have the opportunity to share in the material benefits of our economic growth. The charter provides for a national common market unhampered by artificial internal barriers erected by regions or by provincial governments. The charter encourages the free flow of goods, services, capital and labour which are so essential if we are to maximize our true economic potential. The new Constitution does something more. It also provides investors with a more stable and understandable economic environment. This reassurance of our economic union will, in turn, create a higher degree of investment and provide more jobs and opportunities for all.

The realization of our full economic potential and the resolution of many of our current economic challenges can be achieved when large capital investment is matched with greater productivity and more sourcing of Canadian goods and services. The new Constitution accordingly provides our business community with the assurance of a greater domestic market for its goods and services.

Underlying the energy agreements and the Charter of Rights is the concept of sharing and the belief that all Canadians, from every province and territory, have the right to share in the benefits which both nature and technology have bestowed upon us. The more equitable distribution of Canada's vast wealth among all regions has been a goal of this government, and it continues to be a goal in the economic program submitted by the Minister of Finance (Mr. MacEachen) earlier in this session. However, equity is only one aspect of our total economic program.

● (2100)

If one is to appreciate fully the broad elements of the government's commitment to meet the economic challenges now confronting Canadians, one must consider its fundamental objectives. The most important of these objectives is our pledge to reduce inflation. We cannot be satisfied with living with inflation. Such complacency will only hinder growth and create more unemployment. The recent budget abjures piecemeal measures. This is seen in the budget's commitment to match monetary restraint, that is, restraint in the growth of the money supply and credit, with a greater measure of fiscal restraint, including federal government spending.

In recent years, members opposite have strongly criticized the government for what they called fiscal irresponsibility, deploring in particular budget deficits. Such members were quick to argue that the budget deficit had to be reduced significantly if inflation were to be brought under control. Accordingly, I find it strange that these same critics, who now attack the budget, have suddenly forgotten what to them was, only a short time ago, so important.

Fiscal restraint proposed in the budget is part of the government's commitment to reduce deficit spending. Measures included in the budget will reduce the government's borrowing requirements from almost $10 billion this year to $6.6 billion in 1982-1983. The budgetary deficit is projected to drop from about $15 billion to about $10 billion over the same period. This reduction in such a short period is substantial. It will contribute in a major way to strengthening the government's financial position which, in turn, should relieve the pressure on capital markets and thus contribute to lower interest rates for both corporate and private investors. This objective will be reinforced through increased revenues deriving from energy agreements and a more equitable structure in our tax system.

The belief in the soundness of the government's attempt to reduce inflation through a balanced application of restraint on expenditure and some increase in revenue is shared by many Canadians. For example, a recent article in *The Globe and Mail* stated:

> Finance Minister Allan MacEachen's budget was a good one. Its broad strategy is fundamentally sound. A greater degree of fiscal restraint can indeed take some of the pressure off monetary policy and interest rates in resisting inflation and pave the way for future growth.

The government shares the concern of all Canadians during the current period of sluggish international economic growth. However, there is no alternative that would produce better

short term results without harming the medium and long-term prospects for sustained growth in our economy.

Concern over the short term has prompted some to question the desirability of pursuing a policy of deficit reduction at present because of the danger of accentuated recession. Such critics argue that if one takes into account distortions introduced by inflation and the fact that revenues of the provincial and the national governments together are in surplus, there is no need for deficit reduction.

Superficially, that argument is attractive, relying on a basic Keynesian belief that fiscal policy should be the chief element in the government's arsenal for managing short term output and employment. Our budget strategy is, however, more far-sighted. It is based on the belief that fiscal and monetary policy working together can produce sound economic performance with regard to inflation and its concomitant of unemployment.

Certainly, we must be realistic about the present economic situation when deciding what approach to adopt. It is clear that inflation remains a long-term problem. It cannot be reduced quickly. There are too many international pressures and too much built-in inertia in the inflationary process itself for that to happen. Therefore, while proposing certain short-term remedial measures to help those most in need, the government is creating the circumstances for medium to long-term future growth for a stronger, more stable economy.

The government has had to work under considerable limitations in developing such economic strategy. Essentially, the question is how best to resist an increase in inflation without at the same time committing the economy to a deep, prolonged recession. The federal government deficit reduction is clearly a fundamental element of an over-all strategy best suited to meet this difficult dilemma.

National economic renewal, as the Minister of Finance (Mr. MacEachen) has asserted, is the overriding priority of this government. "Economic renewal must be accomplished within the restraints required to reduce inflation", as he has noted. Indeed, if Canadians are to reap the tremendous opportunities for growth and development in all regions, we must reduce inflation as well as to increase investment, modernization and development.

The federal government has an important leadership role to play in managing and exploiting opportunities and ensuring that the benefits are shared equally by all Canadians. The government, as part of its over-all fiscal plan, is allocating $42 billion to economic development and over $18 billion to energy development over the next five years.

There are many large capital projects planned for the next two decades. The recent major projects task force, composed of business and labour representatives, estimated that the total value of identified projects is approximately $500 billion to the year 2000. Projects in the field of industrial development, resource development, the transport of bulk commodities and export promotion, all hold great promise for our economic future. The savings made through the pursuit of a policy of deficit reduction and fiscal restraint will find countless outlets for productive use.

As the paper on "Economic Development for Canada in the 1980s", included in the budget documents, states:

> Close co-operation between governments, business and labour will be needed to permit Canada to develop the industrial capacity to build the machinery and other products needed for resource development in Canada and abroad.

For example, a private sector export trade development board has been created to give the business community a greater opportunity to contribute to the formulation of trade policy, a major priority in the government's current economic strategy. And seeking greater co-operation between the public sector and the private sector, the government is also committed to a careful examination of our regulatory systems to ensure that the rules are clear and the procedures efficient so that they guide business enterprise rather than inhibit it.

We also seek in our economic planning to overcome the mismatch between skills and available jobs which has emerged as a key constraint on economic development and a serious problem for working Canadians. As the budget notes, as the pattern of economic activity changes so does the availability of job opportunities in terms of both their location and their skill requirements. Here is a challenge for greater consultation and co-operation between the public and private sectors. The result of these and other initiatives will be a stronger, investment-led economy, yet one which is more internationally competitive. I would ask hon. members opposite whether this is not preferable to an economy with an over-extended current account deficit paralleling a large federal deficit. This is why the economic program announced by the Minister of Finance is sound and, in the circumstances, the most sensible for dealing with our current economic challenges.

• (2110)

Clearly Canada, like all western industrialized economies, faces difficult economic decisions. In many respects Canada is, indeed, in an enviable position with its enormous resource and industrial potential. However, our sheer territorial size, our small population, the distances to markets and our reliance on export trade pose many difficulties to our growth. Nevertheless, our economic future is bright.

As I have noted, we have set the essential foundation for sustained economic growth by reaching energy accords with the western producing provinces. The direct and spin-off effects of those agreements will set the stage for massive new investment in Canada. The Charter of Rights and Freedoms as part of the Constitution creates a true common market, an economic union which provides for the free flow of goods, services, capital and labour, unrestricted by internal barriers. That move will help to ensure that all productive factors are used as efficiently as possible.

The budget attempts to take advantage of our basic strengths. It does so by promoting a balanced application of spending restraint and increase in revenue. The necessary restraint required to reduce the federal deficit so as to counter

the forces of inflation and to promote economic growth is being broadly shared by government, business and private individuals to ensure a healthy economy.

Mr. Bill Wright (Calgary North): Mr. Speaker, I take no pleasure in joining my colleagues to speak to this motion. I support the hon. member for St. John's East (Mr. McGrath) in the motion which states:

That this House censures the government for its perpetual, excessive, and ineffective reliance on a high interest rate policy, which has not only created the worst economic recession in Canada since the 1930s, but which also continues to threaten the survival of thousands of small enterprises, adds more Canadians daily to the ranks of the million already out of work, and confronts home owners and renters alike with the worst housing crisis since the Second World War.

The Minister of Public Works (Mr. Cosgrove) rose in the House earlier this evening and said this is not the worst crisis we have had, and he mentioned other years when we had worse crises. I do not care whether it is the worst crisis, all I know is that it is a terrible crisis in relation to housing, inflation, interest rates and unemployment, yet the Minister of Public Works can quibble over whether this is the worst crisis we have had since the thirties.

On December 3 the Prime Minister (Mr. Trudeau) stated in Toronto that the blame for high interest rates lies with the banks, the market economy and individuals who want good returns on Canada Savings Bonds, not with his government. This Prime Minister never takes the blame for things he does. Who controls interest rates in Canada? Are they controlled by the market economy, by individuals or by the banks? Surely there is not one person in the House who believes that any of these can control interest rates. Only the Bank of Canada can control interest rates, and the government controls the Bank of Canada. There is no question as to who is controlling rates and stopping those interest rates from coming down. Anyone with any experience in the marketplace or who has been in the investment business can tell you that the Bank of Canada is controlling the treasury bill rate.

If the government believes the banks are responsible, then let them release the banks from the regulation that prevents them from moving interest rates down freely. I challenge the government to do that. I challenge the Bank of Canada, through the government, to get out of the treasury bill market and find out how fast interest rates will come down. They would come down very fast. The banks do not like the rates going up and down. Anyone in the finance industry will tell you that any financial institution needs steady rates. They do not care what the rates are, how high or how low; it is the spread between deposits and loans that is important. Unfortunately the government continues to spread the big lie that the banks are solely responsible.

No one is innocent, but the banks are not solely responsible. It is the Bank of Canada that is mainly responsible. Everyone knows that the Bank of Canada can drop interest rates if that is desired, but not the chartered banks. The chartered banks take their cue from the Bank of Canada and no one else.

The Minister of Finance (Mr. MacEachen) said in the House today that he had the support of the House for his budget. If he had said he had the support of the majority of the House, the Liberal members, that would have been a valid statement, but to stand up here and say he had the support of the House is ridiculous.

The Minister of Finance said that interest rates are going to come down and the government is going to beat inflation. Quite frankly we know they are not, because he said in the budget what he expects. All one has to do is to read the budget which says that the government expects interest rates to come down by 1 per cent per year over the next four years. That is what the government expects, and that is what the average person out there is faced with. That is what the average person has to contend with over the next four years—more high interest rates.

We may not have the worst economic recession since the 1930s, but it is awfully close. We are not going to argue whether it is the worst, but I do not want to see anything worse than this. Some 140,000 Canadians have lost their jobs in the last short while and 50,000 have stopped looking for work. There are almost a million people in Canada out of work.

Let me put to rest once and for all the question as to whether the Prime Minister cares. Twenty-eight years ago when the Minister of Finance came to the House of Commons, the average unemployment rate in his riding was 25 per cent. Today, 28 years later, the average unemployment rate is still 25 per cent. Let him stand and deny that. He would not dare. He keeps getting elected by giving special grants in his riding, and he has been doing that for years. Any member who does not agree, let him please stand up.

What has this government offered small business? The minister says he is offering something to small business. At page five of the budget he said that abnormally high interest rates have had a particularly adverse effect on many small businesses. So what does he do? He guts the Small Business Development Bond. He extends it for one more year, but the only way that businessmen can get it is if they are going bankrupt or their business is failing. After these businessmen go to the banks or to the FBDB and are not able to get any money, they finally go to the government and apply for a Small Business Development Bond. The Minister of Finance, being as generous as he always is, says they can have the Small Business Development Bond at an excellent rate of interest.

• (2120)

But what does the budget say about the rate of interest? Under the former provisions of the Small Business Development Bond, money could be borrowed at one half of prime plus up to 3 per cent, based on the marginal tax rate of the particular bank. For example, if the prime rate is 18 per cent and you borrow from the Small Business Development Bond, it would be 9 per cent. Based on the marginal tax rate of the bank, you could be borrowing at a rate of 10 per cent, 11 per cent or 12 per cent. Under the provisions of the budget, the deal that the minister is now offering sets out that if, for example, the prime rate is 18 per cent, you must subtract 6 per cent because the banks will be taxed on that. The rate is back down to 12 per cent, and half of that is taken away, leaving 6

per cent. The other 6 per cent on which the banks will be taxed is added back on to bring the rate back to 12 per cent. Based on the marginal tax rate of the bank, one per cent is added to that, and it is back to 12 per cent, 13 per cent or 14 per cent. In effect, what the minister has done and is afraid to admit is that he has not only gutted the Small Business Development Bond, he has raised the interest rates on it by 2 per cent. He does not have the courage to stand up in the House and say that that is what he has done.

The Canadian Federation of Independent Businessmen are up in arms, and why not? The government will never again get support from that association. All that business will do is to march to Ottawa when the government passes legislation to plead with the government to roll back certain provisions of the legislation. They have to take this course of action with this budget.

Thousands of letters are being sent to the government from the small insurance companies which say that the government is driving them out of business. But the government does not care. The companies are lining up to try to get concessions. What does the Minister of Finance do about this situation? Of all things, he offers jobs to a group of unemployed miners from Cape Breton in Fernie, B.C. in February of 1982. They accepted that offer on the condition that they get a housing subsidy from the employer, and the employer agreed. Now these miners are telling the employer that perhaps they do not want to move because that subsidy becomes a taxable benefit. All the minister can say is that he will consider that problem.

The housing requirement in Canada is for 220,000 units. Until recently we expected to have 170,000 units for 1981. This is a shortfall of 50,000 units. We have now discovered that CMHC projects that the number of completed units for 1981 and into 1982 may be as small as 135,000. The government says it has a solution for this also. It will provide a benefit of $350 million to ease the crisis. When this figure is dissected, we find that $150 million is provided for the first year and $200 million for the second year. The government will provide an interest-free loan of $7,500 for 15,000 rental units, and this figure of $112 million must be subtracted from the $150 million. That leaves $38 million for home owners who are in trouble. This means that 13,000 people in Canada can receive assistance for their mortgages from the government this year. The statistics suggest that over 900,000 people are renewing their mortgages, and CMHC statistics reveal that one in 11 will have difficulty in paying his mortgage, but yet only 13,000 will be helped.

Of the 220,000 units needed in Canada, 110,000 are rental units. What is this government offering? It is offering help to 13,000 people. The Minister of Finance and other Liberals continue to say that they will help Canadians, but they are providing no help. The vacancy rates in many parts of Canada are zero. The minister stood up in the House to say that he would extend the MURBs, and then in a whisper he said, "until December 31, 1981." The minister is obviously not aware that many investors in rental housing require up to eight years to recover their investment. The soft costs were not important until the interest rates went up to a critical 13 per cent, 14 per cent or more. The soft costs were of exceptional benefit to those investors who were building rental units, but the Minister of Finance introduced his budget in isolation. He now says he would like to consult with business after the fact.

Mr. Taylor: Then he left for Scotland.

Mr. Deans: What's wrong with Scotland?

Mr. Wright: This government has eroded business confidence, and very few businesses are going to increase capital spending next year. As I have indicated, unemployment is not going down. The minister has admitted in his budget that unemployment will not go down but will remain at above 8 per cent for the next year. If inflation does go down, it will only go down by one per cent.

In 1973, the government said that inflation was beaten. However, it is still with us. In 1975, the Bank of Canada said it had solved the problem of high interest rates and that it would control the money supply to prevent the problem of high interest rates. That has not been solved. In 1973, the government said that Canada would have oil self-sufficiency. We do not have it. The government indicated in 1974 that government spending would be under control. Some control! This government ship has so many leaks that if it becomes unshoaled, it will sink fast and deep. The only way for it to survive is to remain on the shoal.

It is my intention to support the motion which was moved by my hon. friend from St. John's East. Hopefully the government will come to its senses and remedy the mistakes pointed out in the motion. It is my hope that the government will withdraw the budget, which will cause problems for the Liberal backbenchers such as they have never before experienced. The thirty members who met with the Minister of Finance are concerned about their seats, and so they should be.

• (2130)

Mr. Taylor: They voted for the budget.

Mr. Wright: Then, as my colleague says, they voted for the budget. And what a budget! The Minister of Finance stood in the House and said he would not withdraw the budget. He said he might make some changes if we pleaded with him. If we beg, he might make some changes, but will he be like the Minister of Public Works, who said that if people send him letters and telephone him, he will help them with their problems? The Minister of Public Works sent letters to hon. members on this side of the House saying that he would not provide assistance to people who are having trouble. He told us to wait for the budget. The Minister of Finance is the same as the Minister of Public Works; he is long on promises and short on deeds. We cannot go on presenting legislation and forcing business and the population to react to it. The government must come forward with legislation which business agrees will help. In order to do that, we have to consult with business before the deed is done and not after. We must consult before rather than after the budget.

This budget has been formulated by a group of civil servants. The minister must stand up and answer for that. He and other ministers must stand up and defend the budget, but they do not know how to defend it. It is a terrible budget to have to defend. They hope that in two years' time, in a year's time or whenever an election is held, the people will have forgotten.

Mr. Fretz: But they won't.

Mr. Wright: They certainly will not. We will not let them. Only God knows how anyone could forget the horror story of this budget.

Mr. Roger Simmons (Parliamentary Secretary to Minister of the Environment and Minister of State for Science and Technology): What do we have here, Mr. Speaker? The hon. member for St. John's East (Mr. McGrath) and the hon. member for Saskatoon West (Mr. Hnatyshyn), a couple of good Tories, are proposing that this government reduce interest rates. That is it. Those wonderful Tories now have an instant cure for interest rates. These are some marvellous people who brought us the Jerusalem embassy situation, the stimulative deficit and the Petro-Canada two-step.

An hon. Member: Come on.

Mr. Simmons: They are back with a brand new show appropriately dubbed the Tory interest rate magic. And boy, is it a winner! It is a seat filler. This time they have something for everybody. Do you have a problem meeting your mortgage payment? Don't worry about it; the Tories have the answer. Are you having trouble carrying inventory in your business? Relax; the Tories have just what you need. They have the Tory interest rate magic. They have your problem all figured out.

Or have they? Did they bother to tell the people of Canada that the people on this side of the House have mortgages too? We too would dearly love to see the interest rate reduced a few percentage points. I am sure the Tories have told the people that this government has the power to reduce interest rates, today or tomorrow morning, to 12 per cent, 10 per cent or 8 per cent, but did they bother to tell the people of Canada some of the consequences of such a decision? Did they happen to tell us about the people who own the money, the investors? Perhaps those investors might just put their money where they get the greatest return on it? If an investor can invest his or her money in Canada at, say, 10 per cent or in the United States at 16 per cent or 18 per cent, where is he or she going to put it?

I have a mortgage too. It is due in February, and as it now stands, my bank manager is going to say to me either "I have some good news for you" or "I have some bad news for you". The good news will be that the interest rate is down a percentage point or two since last February, or the bad news will be that it is up a percentage point or two. He will also say he can lend me money for my house at the present rate, if I am willing to pay that rate. He will have the money. However, let us suppose the United States rate remains high. Let us also suppose that this government decides today or tomorrow morning to reduce interest rates to 10 per cent or 12 per cent so that the Canadian rate would be substantially below the American rate. Imagine my situation in February when I walk into my bank manager's office to try to renew my mortgage. He would probably say to me that he has some good news and some bad news. The good news would be that the mortgage rate has dropped several percentage points. It would not be 16.75 per cent as it was last year; it would be down to 10 per cent. That would be good news, but then he would go on and tell me the bad news. The bad news would be that he does not have any money to lend. He would go on and tell me the reasons, which would be quite straightforward and easy to figure out. The investors who own the money would have taken their money to where they could make the most on it and where they could get the greatest return. They would have taken it out of the country to where the interest rate is higher, and that would be to the United States.

If I were asked whether I wanted a high interest rate or a low interest rate, my answer would be easy: of course I want a low interest rate. I am a mortgage holder too. I want a low rate, and so does every mortgage holder in the country. However, if my choice is renewing my mortgage or not renewing it and if my choice is keeping my house or not keeping it, that is really not a choice at all. Like every other mortgage holder in the country, I want to be able to renew my mortgage, which means that there will have to be money available for that purpose. It will not be available if the investor has taken his or her money to the United States where he or she can get a higher rate of return.

Mr. Taylor: You are sending oil rigs out of the country.

Mr. Simmons: If my good friend from Bow Valley would listen, he might learn something.

Mr. Taylor: Where is Bow Valley?

Mr. Simmons: I ask the gentleman from Bow Valley, did the Tories—

Mr. Taylor: Where is Bow Valley?

Mr. Simmons: If the hon. does not know where Bow Valley is, I will tell him. It is in his constituency of Bow River.

Some hon. Members: Hear, hear!

Mr. Simmons: Did the Tories bother to tell us the consequences of their magic interest rate solution? They did not because if they did, that would put the lie to their argument.

Mr. Deans: You tell us.

Mr. Simmons: That would expose the deception they are trying to perpetrate on the people of Canada. They wanted to privatize Petro-Canada, they wanted to move an embassy and they wanted to have a stimulative deficit. They thought then they had magic solutions. They have the same kind of magic solution tonight, but it is a solution that is all full of holes. It will not stand up to scrutiny. It will not fool the people of

Canada. It will not fool the mortgage holder who wants to have money to renew his mortgage.

Mr. Taylor: The budget is putting people out of work and driving them out of the country. What is wrong with you?

Mr. Simmons: I did not expect the hon. member for Bow River (Mr. Taylor) to take this lying down. If the page would be so kind, I have a little ornament in my pocket which the hon. member might want to play with to occupy himself while I speak to the people who are trying to listen. Some people like to hear two sides of an argument. I am giving one side of this one. I have heard the other side from my colleague, the hon. member for St. John's East. Is it not interesting that of all the people on the Tory side of the House it was he who was the annointed one? It was he who was chosen to move this particular resolution.

Mr. Scott (Hamilton-Wentworth): And he will win his seat back too.

Mr. Simmons: I remember as far back as 1958 or 1959 when the hon. member for St. John's East was first elected to the House of Commons. He was on the radio almost every day in Newfoundland, and he became known as one of the great consumer advocates of Newfoundland. People used to say, whatever their partisan affiliation, if that member ever gets in government, he is going to do great things for the consumer because he has such a grasp of the issues. He talked about the kinds of programs children were exposed to over television. He talked about all kinds of consumer issues.

● (2140)

I watched when he got into government, as he did ever so briefly. I watched him and the Tory record for nine months. The record clearly shows that this gentleman, the mover of this resolution, my fellow Newfoundlander from St. John's East, did not, in his brief term in government, take one single initiative to address any of the consumer concerns he fought for for 20 years before he got into cabinet. There was not one issue, not one tittle, not one bit of legislation, not one item during the time he was in cabinet that he addressed. Therefore, we put the lie to his crusading. He is great on words and he is long on words, as he is in this resolution. However, he is terribly short on action when he gets in a position where he can do something about it.

I want to refer my good friends, whose blood pressure is rising unjustifiably, to another of their friends in a very friendly fashion. I am going to talk about their finance spokesman, the hon. member for Etobicoke Centre (Mr. Wilson). We on this side think this man really has his head screwed on right. I refer to his interview in the November 7 edition of the *Financial Post*. I ask those on the Tory side of the House, the permanent opposition, to compare the spirit of that interview with the spirit of the resolution moved by the hon. member for St. John's East. I submit they are mutually exclusive. One says one thing and the other says the opposite. Here in the public record is the finance spokesman for the Tory party as being largely in support of the interest rate policy pursued by the Bank of Canada at this time. I refer to the *Financial Post* of November 7.

If that is not enough, let us put all the Tory Newfoundlanders together. Let us look at what my good friend, the junior member from Newfoundland, the hon. member for St. John's West (Mr. Crosbie), the one-time Tory finance critic, had to say. He conceded outside the House that Canadian interest rates "will have to follow to some degree" rates in the United States. He said that in November, 1980. That was at another time when he had another incarnation. He was still wearing the finance hat. That was before his demotion to other matters. When the hon. member for St. John's West was still speaking for the Tory party on this issue, he was saying that we have to follow the United States interest rate. That, in essence, is what I have said tonight, not that we do it anxiously, happily or with any degree of satisfaction. We do it because we do not believe in fooling the people of Canada into thinking we can live in glass houses, bury our heads in the sand, ignore what is going on around us, ignore our trade relations with the United States, ignore that we live on a continent which has a very densely populated country many times the population of ours. We do not pretend to the Canadian people that we can somehow have artificial solutions to the problems we face in this country.

We have levelled with the Canadian people. We have been responsible to the Canadian people. I say to my hon. friend from St. John's East that this resolution is dishonest. For that reason I and members on this side will defeat it.

Some hon. Members: Hear, hear!

The Acting Speaker (Mr. Blaker): Order, please. It being 9.45 it is my duty pursuant to Section 10 of Standing Order 58 to interrupt the proceedings and put forthwith every question necessary to dispose of the business of supply.

The question is on the amendment. Is it the pleasure of the House to adopt the amendment?

Some hon. Members: Agreed.

Some hon. Members: No.

The Acting Speaker (Mr. Blaker): All those in favour please say yea.

Some hon. Members: Yea.

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

Some hon. Members: Nay.

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

And more than five members having risen:

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

High Interest Rates

The House divided on the amendment (Mr. Broadbent) which was negatived on the following division:

● (2150)

(*Division No. 138*)

YEAS

Messrs.

Althouse	Hamilton (Qu'Appelle-Moose Mountain)	Murphy
Anguish	Heap	Neil
Benjamin	Keeper	Ogle
Blaikie	Kilgour	Orlikow
Broadbent	Lewycky	Parker
Deans	Mitchell (Mrs.)	Rose
Elzinga		Sargeant
Friesen		Shields
Gustafson		Taylor
		Young—25.

NAYS

Messrs.

Allmand	Daudlin	Hervieux-Payette (Mrs.)
Andre	Dawson	Hnatyshyn
Appolloni (Mrs.)	de Corneille	Hopkins
Axworthy	Demers	Howie
Bachand	Deniger	Isabelle
Baker (Gander-Twillingate)	Desmarais	Jarvis
Baker (Nepean-Carleton)	Dingwall	Johnston
Beatty	Dinsdale	Joyal
Beauchamp-Niquet (Mrs.)	Dion	Kelly
Bégin (Miss)	Dionne (Northumberland-Miramichi)	Kempling
Berger	Dubois	Killens (Mrs.)
Blais	Duclos	Lachance
Blaker	Dupont	Lajoie
Blenkarn	Dupras	Lalonde
Bloomfield	Duquet	Lambert
Bockstael	Ellis	Lamontagne
Bosley	Erola (Mrs.)	Landers
Bradley	Evans	Lang
Bujold	Fennell	Laniel
Burghardt	Ferguson	Lapierre
Bussières	Fisher	Lapointe (Charlevoix)
Caccia	Fleming	Lapointe (Beauce)
Campbell (Miss) (South West Nova)	Flis	Lawrence
Campbell (LaSalle)	Forrestall	Lefebvre
Campbell (Cardigan)	Foster	Lewis
Chénier	Fox	Loiselle
Clark (Yellowhead)	Francis	MacBain
Clarke (Vancouver Quadra)	Fretz	MacEachen
Collenette	Frith	Mackasey
Comtois	Gamble	MacLaren
Cook	Garant	MacLellan
Corbett	Gass	Malépart
Corbin	Gauthier	Malone
Corriveau	Gendron	Maltais
Cosgrove	Gilchrist	Marceau
Côté (Mrs.)	Gimaïel	Massé
Cousineau	Gingras	Masters
Crosby (Halifax West)	Gourd (Argenteuil-Papineau)	Mayer
Crouse	Gourde (Lévis)	Mazankowski
Cullen	Gray	McCain
Cyr	Greenaway	McCauley
Darling	Guilbault	McDermid
	Halliday	McGrath
	Hargrave	McKnight
	Harquail	McLean
	Hawkes	McRae
	Hees	Murta
	Henderson	Nicholson (Miss)
	Herbert	Nickerson

Messrs.

Nielsen	Robinson (Etobicoke-Lakeshore)	Tessier
Oberle	Rompkey	Thacker
Olivier	Rooney	Thomson
Ostiguy	Rossi	Tobin
Paproski	Roy	Tousignant
Parent	Savard	Trudeau
Pepin	Schellenberger	Turner
Peterson	Schroder	Vankoughnet
Pinard	Scott (Hamilton-Wentworth)	Veillette
Portelance	Simmons	Watson
Prud'homme	Smith	Weatherhead
Regan	Speyer	Whelan
Reid (St. Catharines)	Tardif	Wilson
Roberts		Wright
		Yanakis—182.

● (2215)

Madam Speaker: I declare the amendment lost.

The question now is on the main motion in the name of the hon. member for St. John's East (Mr. McGrath). Is it the pleasure of the House to adopt the motion?

Some hon. Members: Agreed.

Some hon. Members: No.

Madam Speaker: Those in favour of the motion will please say yea.

Some hon. Members: Yea.

Madam Speaker: Those opposed will please say nay.

Some hon. Members: Nay.

Madam Speaker: In my opinion the nays have it.

And more than five members having risen:

Madam Speaker: Call in the members. Can we dispense with the ringing of the bells?

Some hon. Members: Agreed.

The House divided on the motion (Mr. McGrath) which was negatived on the following division:

● (2220)

(*Division No. 139*)

YEAS

Messrs.

Althouse	Dinsdale	Jarvis
Andre	Ellis	Keeper
Anguish	Elzinga	Kempling
Baker (Nepean-Carleton)	Fennell	Kilgour
Beatty	Forrestall	Lambert
Benjamin	Fraser	Lawrence
Blaikie	Fretz	Lewis
Blenkarn	Friesen	Lewycky
Bosley	Gamble	MacKay
Bradley	Gass	Malone
Broadbent	Gilchrist	Mayer
Clark (Yellowhead)	Greenaway	Mazankowski
Clarke (Vancouver Quadra)	Gustafson	McCain
Cook	Halliday	McDermid
Corbett	Hamilton (Qu'Appelle-Moose Mountain)	McGrath
Crosby (Halifax West)	Hargrave	McKnight
Crouse	Hawkes	McLean
Darling	Heap	McMillan
Deans	Hees	Mitchell (Mrs.)
	Hnatyshyn	Murphy
	Howie	Murta
		Neil

Messrs.

Nickerson	Rose	Thacker
Nielsen	Sargeant	Thomson
Oberle	Schellenberger	Vankoughnet
Ogle	Scott (Hamilton-Wentworth)	Wenman
Orlikow	Shields	Wilson
Paproski	Speyer	Wright
Parker	Taylor	Young—84.
Rae		

NAYS

Messrs.

Allmand	Duclos	Lefebvre
Appolloni (Mrs.)	Dupont	Loiselle
Axworthy	Dupras	Lonsdale
Bachand	Duquet	MacBain
Baker (Gander-Twillingate)	Erola (Mrs.)	MacEachen
Beauchamp-Niquet (Mrs.)	Evans	Mackasey
Bégin (Miss)	Ferguson	MacLaren
Berger	Fisher	MacLellan
Blais	Fleming	Malépart
Blaker	Flis	Maltais
Bloomfield	Foster	Marceau
Bockstael	Fox	Massé
Bujold	Francis	Masters
Burghardt	Frith	McCauley
Bussières	Garant	McRae
Caccia	Gauthier	Nicholson (Miss)
Campbell (Miss) (South West Nova)	Gendron	Olivier
Campbell (LaSalle)	Gimaïel	Ostiguy
Campbell (Cardigan)	Gingras	Parent
Chénier	Gourd (Argenteuil-Papineau)	Pepin
Collenette	Gourde (Lévis)	Peterson
Comtois	Gray	Pinard
Corbin	Guilbault	Portelance
Corriveau	Harquail	Prud'homme
Cosgrove	Henderson	Regan
Côté (Mrs.)	Herbert	Roberts
Cousineau	Hervieux-Payette (Mrs.)	Robinson (Etobicoke-Lakeshore)
Cullen	Hopkins	Rompkey
Cyr	Isabelle	Rooney
Daudlin	Johnston	Rossi
Dawson	Joyal	Roy
Demers	Kelly	Savard
Deniger	Killens (Mrs.)	Schroder
Desmarais	Lachance	Simmons
Dingwall	Lajoie	Smith
Dion	Lalonde	Tardif
Dionne (Northumberland-Miramichi)	Lamontagne	Tessier
Dubois	Landers	Tobin
	Lang	Tousignant
	Laniel	Trudeau
	Lapierre	Turner
	Lapointe (Charlevoix)	Veillette
	Lapointe (Beauce)	Watson
		Weatherhead
		Whelan
		Yanakis—127.

● (2225)

Madam Speaker: I declare the motion lost.

* * *

[*Translation*]

SUPPLY

MOTION FOR CONCURRENCE IN VOTE 10c, CANADIAN UNITY INFORMATION OFFICE—PROGRAM EXPENDITURES

Hon. Donald J. Johnston (President of the Treasury Board) moved:

That Vote 10c, in the amount of $8,900,000 under the Department of Justice—Canadian Unity Information Office—Program expenditures, in Supplementary Estimates (C) for the fiscal year ending March 31, 1982, be concurred in.

Madam Speaker: Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Some hon. Members: No.

Madam Speaker: All those who are in favour of the motion will please say yea.

Some hon. Members: Yea.

Madam Speaker: All those who are opposed to the motion will say nay.

Some hon. Members: Nay.

Madam Speaker: In my opinion, the yeas have it.

And more than five members having risen:

Madam Speaker: Shall we dispense with the ringing of the bell?

[*English*]

Mr. Nielsen: Madam Speaker, I rise on a point of order.

An hon. Member: The vote has already started.

Mr. Nielsen: With great respect, I think all the Chair does now is to put the motion on the amendment of the hon. member for Wellington-Dufferin-Simcoe (Mr. Beatty), and that is the only vote that is taken. If the Chair will refer to a similar vote taken on June 22, 1978, where the division was called on a motion of the Leader of the Opposition (Mr. Clark), it shows at page 6687 of *Hansard* that the vote was called on a motion of Mr. Andras, who was then a member of this House. A vote is taken only on the motion of the member in whose name the motion stands before the House.

Madam Speaker: I am sure the hon. member knows the normal procedure in cases of votes on estimates. If a member wants to vote against the estimates, he gives notice to the House. That notice of wishing to vote against one item of the estimates is transformed, for the purposes of our procedure as adopted, and what is followed, as far as we can see from the precedents, is that that notice is transformed into a motion to concur in that particular item of the estimates. Therefore, if hon. members want to vote against that particular item in the estimates, when the motion to concur in that item is put to the House, they may vote against it.

I will cite a precedent in which one of my predecessors said the following about the exact situation which has been raised by hon. member for the Yukon (Mr. Nielsen):

A Member wishing to vote against an estimate would be required to give notice—

This has been done.

—and motions for the adoption of unopposed estimates could be consolidated into a single question. Indeed that is the situation we have before us. The hon. member . . . has given notice that he would like to oppose a particular item and

vote against it. Having given that notice the estimate is put in the form of a motion to the Chamber at which time hon. members have the right to vote for or against it.

● (2230)

We are following a procedure which has been followed and established in the process of voting the estimates. I think it is quite plain to hon. members that—

Mr. Lambert: It is wrong.

Madam Speaker: No, it is not wrong. As a matter of fact, it is quite right. Only the government can put motions to create expenses. That is why the notice to vote against it has to be transformed into a motion to concur. Therefore, my duty is to put to the House the motion to concur in that specific item of the estimates, which I have just done. The hon. member for Yukon (Mr. Nielsen).

Some hon. Members: Oh, oh!

Madam Speaker: Order, please. I cannot hear what the hon. member has to say.

Mr. Nielsen: With great respect, Madam Speaker, I may have misheard. When I heard Your Honour put the question, the question was put on the bill that is before the House. It was not put on the motion of which notice is contained in today's Order Paper at page XI. The motion, Madam Speaker, is put on the notice standing in the name of the hon. member for Wellington-Dufferin-Simcoe (Mr. Beatty).

Some hon. Members: Oh, oh!

Madam Speaker: If we can have a little bit of order we might get on with this particular task.

Mr. Nielsen: I make my point because of the difficulty which we have encountered with this procedure before, and it has been done in different ways before in the two most recent precedents. One was when the Speaker was in the Chair on June 22, 1978, when a similar bill was before the House. If one examines the record, the Speaker said on that occasion:

Therefore, the motion is that Vote 20 be concurred in. Is it the pleasure of the House to adopt the said motion?

That is the motion, notice of which has been given by the hon. member for Wellington-Dufferin-Simcoe. It occurs at page 6687 of *Hansard:*

SOME HON. MEMBERS: No.

MR. SPEAKER: All those in favour of the motion will please say yea.

SOME HON. MEMBERS: Yea.

MR. SPEAKER: All those opposed to the motion will please say nay.

SOME HON. MEMBERS: Nay.

MR. SPEAKER: In my opinion, the yeas have it . . .

MR. SPEAKER: Is the House prepared to take this vote without further ringing of the bells?

SOME HON. MEMBERS: Agreed.

Then this occurs:

The House divided on the motion (Mr. Andras)—

On that occasion the notice was standing in the name of Mr. Andras. The division was on that particular vote, in this case 10c. The same thing happened on June 22, 1978, when the motion was in the name of—

Madam Speaker: Order, please. Perhaps the hon. member can help me, because there is no need to confuse the House. The hon. member was rising to tell me that I had not put to vote this specific item which the hon. member for Wellington-Dufferin-Simcoe had intended to oppose. But I have read to the House that Vote 10c in the amount of $8,900,000, etc. That is what I have put to the House.

It is on this specific motion that I asked the House to vote. The hon. member is telling me now that this specific motion which one member has the intention of opposing should be voted on first. That is exactly what I am doing. It is what I am asking the House to do. That is normal.

Mr. Nielsen: Madam Speaker, that is exactly the procedure which I believe should be followed and which I did not hear, perhaps mistakenly so. My hearing was—

Some hon. Members: Oh, oh!

Mr. Nielsen: I am going to take a page out of your book, Pierre. My hearing was that the Chair put the question on the bill, and the notice of the hon. member was not put. The procedure of taking the vote on 10c is the proper procedure.

Madam Speaker: The member is quite mistaken. I suppose he was distracted when he was reading the motion, but I can understand that.

● (2235)

(Division No. 140)

YEAS

Messrs.

Allmand	Cosgrove	Gauthier
Appolloni (Mrs.)	Côté (Mrs.)	Gendron
Axworthy	Cousineau	Gimaïel
Bachand	Cullen	Gingras
Baker (Gander-Twillingate)	Cyr	Gourd (Argenteuil-Papineau)
Beauchamp-Niquet (Mrs.)	Daudlin	Gourde (Lévis)
Bégin (Miss)	Dawson	Gray
Berger	Demers	Guilbault
Blais	Deniger	Harquail
Blaker	Desmarais	Henderson
Bloomfield	Dingwall	Herbert
Bockstael	Dion	Hervieux-Payette (Mrs.)
Bujold	Dionne (Northumberland-Miramichi)	Hopkins
Burghardt	Dubois	Isabelle
Bussières	Duclos	Johnston
Caccia	Dupont	Joyal
Campbell (Miss) (South West Nova)	Dupras	Kelly
Campbell (LaSalle)	Duquet	Killens (Mrs.)
Campbell (Cardigan)	Erola (Mrs.)	Lachance
Chénier	Evans	Lajoie
Collenette	Ferguson	Lalonde
Comtois	Fisher	Lamontagne
Corbin	Fleming	Landers
Corriveau	Flis	Lang
	Foster	Laniel
	Fox	Lapierre
	Francis	Lapointe (Charlevoix)
	Frith	
	Garant	

Messrs.

Lapointe	McRae	Rossi
(Beauce)	Nicholson	Roy
Lefebvre	(Miss)	Savard
Loiselle	Olivier	Schroder
Lonsdale	Ostiguy	Simmons
MacBain	Parent	Smith
MacEachen	Pepin	Tardif
Mackasey	Peterson	Tessier
MacLaren	Pinard	Tobin
MacLellan	Prud'homme	Tousignant
Malépart	Regan	Trudeau
Maltais	Roberts	Turner
Marceau	Robinson	Veillette
Massé	(Etobicoke-Lakeshore)	Watson
Masters	Rompkey	Weatherhead
McCauley	Rooney	Whelan
		Yanakis—126.

NAYS

Messrs.

Althouse	Gamble	McLean
Andre	Gass	McMillan
Anguish	Gilchrist	Mitchell
Baker	Greenaway	(Mrs.)
(Nepean-Carleton)	Gustafson	Murphy
Beatty	Halliday	Murta
Benjamin	Hamilton	Neil
Blaikie	(Qu'Appelle-Moose	Nickerson
Blenkarn	Mountain)	Nielsen
Bosley	Hargrave	Oberle
Bradley	Hawkes	Ogle
Broadbent	Heap	Orlikow
Clark	Hees	Paproski
(Yellowhead)	Hnatyshyn	Parker
Clarke	Howie	Reid
(Vancouver Quadra)	Jarvis	(St. Catharines)
Cook	Keeper	Rose
Corbett	Kempling	Sargeant
Crosby	Kilgour	Schellenberger
(Halifax West)	Lambert	Scott
Crouse	Lawrence	(Hamilton-Wentworth)
Darling	Lewis	Shields
Deans	Lewycky	Speyer
Dinsdale	MacKay	Taylor
Ellis	Malone	Thacker
Elzinga	Mayer	Thomson
Fennell	Mazankowski	Vankoughnet
Forrestall	McCain	Wenman
Fraser	McDermid	Wilson
Fretz	McGrath	Wright
Friesen	McKnight	Young—84.

● (2240)

[*Translation*]

Madam Speaker: I declare the motion carried.

MOTION FOR CONCURRENCE IN SUPPLEMENTARY ESTIMATES (C)

Hon. Donald J. Johnston (President of the Treasury Board) moved:

That the Supplementary Estimates (C), 1981-82, laid upon the Table Monday, November 16, 1981, except the Item disposed of earlier this day, be concurred in.

Madam Speaker: Is it the pleasure of the House to adopt the said motion?

Some hon. Members: On division.

Motion agreed to on division.

[*English*]

MOTION FOR CONCURRENCE IN SUPPLEMENTARY ESTIMATES (D)

Hon. Donald J. Johnston (President of the Treasury Board) moved:

That Supplementary Estimates (D), 1981-82, laid upon the Table, Thursday, November 26, 1981, be concurred in.

Madam Speaker: Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Some hon. Members: On division.

Motion agreed to on division.

[*Translation*]

Mr. Johnston thereupon moved that Bill C-86, an act to grant Her Majesty certain sums of money for the public service for the financial year ending March 31, 1982, be read the first time and be printed.

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

Mr. Johnston thereupon moved that Bill C-86, an act to grant Her Majesty certain sums of money for the public service for the financial year ending March 31, 1982, be read the second time and referred to the Committee of the Whole.

Hon. Marcel Lambert (Edmonton West): No, Madam Speaker, we do not have the bill.

Madam Speaker: It was distributed today at 3 p.m.

Motion agreed to, bill read the second time and the House went into committee thereon. Mr. Francis in the Chair.

[*English*]

The Chairman: Shall Clause 2 carry?

Some hon. Members: Agreed.

Some hon. Members: On division.

Clause agreed to.

Clauses 3 to 6 inclusive agreed to on division.

Schedules A and B agreed to on division.

Clause 1 agreed to on division.

Preamble agreed to on division.

Title agreed to on division.

Bill reported.

[*Translation*]

Mr. Johnston moved that the bill be concurred in.

Madam Speaker: Is it the pleasure of the House to adopt the said motion?

Some hon. Members: On division!

Motion agreed to on division.

Mr. Johnston moved that the bill be read the third time and do pass.

Some hon. Members: Agreed.

Some hon. Members: On division.

Motion agreed to on division, bill read the third time and passed.

Madam Speaker: It being 10.55 p.m. this House stands adjourned until tomorrow at eleven o'clock a.m., pursuant to Standing Order 2(1).

The House adjourned at 10.55 p.m., pursuant to Standing Order.

HOUSE OF COMMONS

Friday, December 11, 1981

The House met at 11 a.m.

● (1105)

ROUTINE PROCEEDINGS

[*English*]

THE BUDGET

CALL FOR WITHDRAWAL—MOTION UNDER S.O. 43

Mr. Don Blenkarn (Mississauga South): Madam Speaker, every major business group, every major trade union, and every consumer organization has protested the inept, incompetent and totally negative effects of the budget of November 12 on the economy of Canada. I therefore move, seconded by the hon. member for Calgary East (Mr. Kushner):

That inasmuch as every item in the budget is interrelated and the effect of each measure creates a problem with other measures, the Minister of Finance today withdraw the entire budget proposal of November 12, hire a whole new budget and tax planning team, and produce a new budget in January.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

CHRISTMAS TRAVEL—MOTION UNDER S.O. 43

Mr. Blaine A. Thacker (Lethbridge-Foothills): Madam Speaker, I move, seconded by the hon. member for Erie (Mr. Fretz):

That the cabinet ministers, after jetting home on government planes, and as they sit down with family and friends to 16-course Christmas dinners, recall the words on tens of thousands of Christmas cards: "Dear Mom, I would have been home for Christmas but the Liberal Party is now taxing my flight. It's just too much Mom when added to the gasoline taxes and the tax increases from the April and October budgets last year. Don't worry, Mom, I will sit quietly alone in my room and finish off your last CARE package. Damn the Liberals, but love to Dad."

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

CANADA POST

EFFECT OF PROPOSED POSTAL RATE INCREASES ON VOLUNTARY ORGANIZATIONS—MOTION UNDER S.O. 43

Mr. Walter McLean (Waterloo): Madam Speaker, the government refuses to recognize the devastating effects on this country's voluntary groups of its proposed massive increases in postal rates. For example, the $1,200 annual increase in postal costs to the Waterloo regional branch of the Canadian Mental Health Association will make it extremely difficult for that agency to mobilize its 250 volunteers. I move, therefore, seconded by the hon. member for Haldimand-Norfolk (Mr. Bradley):

That this House urge the minister responsible for the Canada Post Corporation, the Secretary of State in his role as minister responsible for the voluntary action program, or the Minister of Finance, to stand in his place and tell the volunteers of Canada why this government is ignoring and stifling the giving and caring spirit which are more needed than ever due to unprecedented unemployment and inflation.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

CANADA MORTGAGE AND HOUSING CORPORATION

REMOVAL OF UREA FORMALDEHYDE FOAM INSULATION—MOTION UNDER S.O. 43

Mrs. Margaret Mitchell (Vancouver East): Madam Speaker, I too rise under Standing Order 43 on a very urgent matter requiring immediate government action. All CMHC owned and operated apartments located in the lower mainland of B.C., and in many other parts of Canada, are insulated with poisonous urea formaldehyde foam. Since the minister for CMHC, their landlord, provided no hazard warnings to tenants who now suffer health problems, and inasmuch as this is another example of the irresponsibility of this minister and this government which promoted UFFI but refuse to help the victims, I move, seconded by the hon. member for Churchill (Mr. Murphy):

That the minister immediately order CMHC to rip out this foam insulation from all CMHC buildings, compensate for any health problems, and establish this as a precedent for compensating all victims of urea formaldehyde foam insulation.

Madam Speaker: Is there unanimous consent for this motion?

S.O. 43

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

THE BUDGET

ARMED SERVICES' FLIGHTS—MOTION UNDER S.O. 43

Mr. Dave Nickerson (Western Arctic): Madam Speaker, following along the same line as the motion of the hon. member for Lethbridge-Foothills (Mr. Thacker), I should like to move the following motion, seconded by the hon. member for St. Catharines (Mr. Reid):

That the provision of the Liberal budget which would tax Canadian forces personnel on CFB flights coming home to visit their families at Christmas be thrown out, preferably together with the Minister of Finance.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

● (1110)

THE ENVIRONMENT

PROTECTION OF POLAR BEAR PASS—MOTION UNDER S.O. 43

Mr. Bill Blaikie (Winnipeg-Birds Hill): Madam Speaker, I rise under the provisions of Standing Order 43 on a matter of urgent and pressing necessity. Given the fact that the international biological program has identified the Polar Bear Pass in the Canadian Arctic as one of approximately 140 environmentally sensitive sites that are worthy of protection, and given the fact that the interdepartmental working group has recently issued a report calling for multiple land use in the Pass so as to accommodate the interests of non-renewable resource developers, I move, seconded by the hon. member for Churchill (Mr. Murphy):

That the federal government reject the recommendations being made by the working group and immediately take steps to ensure that this environmentally sensitive area will be protected from the future activities of resource developers.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

CANADA POST

ISSUANCE OF NEW STAMP—MOTION UNDER S.O. 43

Mr. Geoff Scott (Hamilton-Wentworth): Madam Speaker, since the Canada Post Corporation has just unveiled its new no-price stamp, with just a maple leaf and the letter "A", I move, seconded by the hon. member for Haldimand-Norfolk (Mr. Bradley):

That the House extends its best wishes to the government on the issuing of this new stamp, and trusts that since the former Post Office Department made such an awful mess of delivering letters with stamps on them, the Canada Post Corporation may have better luck delivering stamps with letters on them.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

FINANCE

SUGGESTED INTRODUCTION OF NEW BUDGET—MOTION UNDER S.O. 43

Mr. Len Gustafson (Assiniboia): Madam Speaker, hundreds of farmers and small business men are meeting daily with chartered accountants and lawyers because of the confusion caused in their operations by the November 12 budget, in annuities, depreciation, capital gains tax and the business structure in general. I move, seconded by the hon. member for Bow River (Mr. Taylor):

That the Minister of Finance put an end to the uncertainty and confusion for farmers and small business men and take steps immediately to bring in a new budget.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

RAILWAYS

CALL FOR INCREASE IN COMPANY PENSIONS—MOTION UNDER S.O. 43

Mr. Les Benjamin (Regina West): Madam Speaker, I rise under the provisions of Standing Order 43 on a matter of urgent and pressing necessity. In view of the coming celebration of Christmas which might bypass many retired railway employees, some of whom receive less than $100 a month from the company pension, and in view of the fact that widows receive only one half of the pension increases that are made, I move, seconded by the hon. member for Winnipeg-Birds Hill (Mr. Blaikie):

That the House request the Minister of Transport to use his influence with the railway companies to increase railway pensions, index them to protect against inflation, and increase the widows' allowance to 75 per cent immediately.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

PENSIONS

SENIOR CITIZENS BELOW POVERTY LEVEL—MOTION UNDER S.O. 43

Mr. Neil Young (Beaches): Madam Speaker, in view of the fact that the Minister of National Health and Welfare told a Liberal fund-raising dinner that Canada's pension system is woefully inadequate for the 2.3 million senior citizens who depend on it and that more than half of all pensioners who are dependent on the guaranteed income supplement can be referred to as being on welfare, I move, seconded by the hon. member for Hamilton Mountain (Mr. Deans):

That this House again calls upon the powers that be on the government side of the House to get their priorities straight, find the moneys to bring Canada's seniors above the poverty level and make the Liberal Party's slogan of "Caring and Sharing" more meaningful than pious statements to Liberal fund-raising dinners.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

PETRO-CANADA

CHOICE OF LOCATION FOR HEAVY OIL UPGRADER IN SASKATCHEWAN—MOTION UNDER S.O. 43

Mr. Bill McKnight (Kindersley-Lloydminster): Madam Speaker, because of the involvement of Petro-Canada in the Saskatchewan heavy oil upgrader for 15 per cent of that operation, I move, seconded by the hon. member for Hillsborough (Mr. McMillan):

That the Minister of Energy, Mines and Resources consult with the management of Petro-Canada so that they may make it clear to the people of Canada, the real shareholders of Petro-Canada, their choice for the location of the heavy oil upgrader in Saskatchewan.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

ORAL QUESTION PERIOD

[*English*]

THE BUDGET

EFFECT ON LOW INCOME GROUPS

Mr. Stan Schellenberger (Wetaskiwin): Madam Speaker, my question is for the Minister of Finance. Now that it has become crystal clear that the budget is having disastrous effects on low-income working Canadians because of the already high taxes placed on gasoline and heating oil, interest rates, and now the direct and indirect taxes placed on the low-income earners' employee benefits in this budget, was the minister not aware of the difficulties and loss of income these low-income earners were suffering already? Will he not announce major changes in the budget before Christmas in these areas, or will he just be creating a group of low-income-earning tax return law breakers in this country? That may be the only way by which they will be able to live with some dignity in the coming year.

• (1115)

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): No, Madam Speaker, it is not my intention to carry out the hon. member's wish, because the budget has provided for reduced taxes or no tax increases for 12 million taxpayers. It has provided substantial tax relief to low-income families because of changes in the federal tax. Whatever increased taxes are to be collected, they are, by design, to be collected from taxpayers in high-income groups. I wonder why the hon. member would suggest that the budget has not distributed in a fairer way the burden of taxation in the country.

EQUITY OF PROVISIONS

Mr. Stan Schellenberger (Wetaskiwin): Madam Speaker, high interest rates, taxes on energy, and now these taxes on employee benefits, are a very difficult pill for these people to swallow. Restaurant workers must dig into their already low incomes to pay for their meal privileges. Department store clerks will have to dig into their already low incomes to pay for their purchasing benefits. Farmers and small-business men will have to dig into their pensions when they retire to pay their capital gains taxes, health insurance premiums, life insurance premiums, and I could go on and on. When will the minister explain to low-income Canadians the equity in this budget? Will he do it before Christmas, or wait until some time in the New Year?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, the hon. member has raised a whole series of issues. Let me deal with one which has been referred to by the hon. member. This is the third time in the past week an hon. member opposite has stated that it is the intention of the budget to tax employee discounts. That is absolutely untrue, and I wish hon. members would stop ascrib-

ing to the budget difficulties which do not exist. Those statements are false.

Mr. Schellenberger: That is an unbelievable answer.

ARMED SERVICES' FLIGHTS

Mr. Stan Schellenberger (Wetaskiwin): Madam Speaker, my supplementary question is directed to the Minister of National Defence. Has the Minister of National Defence approved or spoken to the Minister of Finance about taxes on servicemen's flights home? These people have been asked by Canadians to protect their freedoms in other countries. Or are the troops going to be singing next year at Christmas, "I'd be home for Christmas but Rompkey taxed my flight"?

Hon. J. Gilles Lamontagne (Minister of National Defence): Madam Speaker, I think it is time we stopped speculating about the consequences of the budget and looked instead at the realities.

Some hon. Members: Hear, hear!

Mr. Lamontagne: The hon. member has jumped to a false conclusion about troops moving from Germany to Canada. As far as I am concerned, with respect to people moving on leave or moving on duty there is no question of their being taxed. When the Minister of Finance was formulating the budget one of the principles he kept in mind was equity, and I am sure the minister will see to it that there is equity in this case.

EMPLOYER CONTRIBUTIONS TO MEDICAL AND DENTAL PLANS

Mr. Girve Fretz (Erie): Madam Speaker, my question is directed to the Minister of Labour. It concerns the negative impact of the now notorious MacEachen budget on ordinary working Canadians. Is the minister aware that the budgetary provisions which require that employer contributions to medical and dental plans be regarded as taxable benefits will, in essence, reduce the take-home pay of Canadian workers and are yet another tax grab from middle and low-income groups? Is the minister aware of this?

Hon. Chas. L. Caccia (Minister of Labour): Yes, Madam Speaker, I am.

Some hon. Members: Oh, oh!

● (1120)

EMPLOYEE LOANS

Mr. Girve Fretz (Erie): Madam Speaker, the question is, what is the minister going to do about it? My supplementary is to the same minister. Another provision which will hurt both the employers and employees is the requirement that employee loans will also have to be regarded as taxable benefits, thus creating an administrative nightmare for the employer and another nickel-and-diming to death of the little guy by the tax department. How can the minister justify such a counterproductive measure? Would he explain that, please?

Hon. Chas. L. Caccia (Minister of Labour): Madam Speaker, as I indicated yesterday to the hon. member's colleague who asked me a similar question, I have made a good note of these representations.

Some hon. Members: Oh, oh!

REQUEST THAT MINISTER OF FINANCE MEET CANADIAN LABOUR CONGRESS REPRESENTATIVES

Mr. Edward Broadbent (Oshawa): Madam Speaker, I have a question for the Minister of Finance. In recent days he has managed to meet with a number of business groups concerning changes in the budget. He had a call from his friends at Dome Petroleum and agreed to make a certain change. I wonder if he can tell the House why, having met with these other groups, he found it impossible yesterday, although he was here for question period earlier in the day and for a vote last night, to meet with the president of the Canadian Labour Congress and other trade union leaders representing more than two million Canadian workers? Why did the Minister of Finance not assume his responsibility, sit down and meet this very important group of Canadians?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I am happy to provide that explanation. As I understand it, on Monday of this week the Canadian Labour Congress requested an appointment with the government for yesterday. That is reasonable. However, it seems to me it would have been a lot better if the Canadian Labour Congress had given us some notice. The fact is that at the same time at which the Congress meeting took place with representatives of the government, I had already undertaken to meet with the president of the Canadian Federation of Independent Businessmen. That meeting had been set and I felt obligated to carry on with it.

If the Congress is eager to carry on a dialogue with the government, it ought to make arrangements that will provide an opportunity to meet with them. May I add that prior to the budget I did have a consultation with the Canadian Labour Congress. It was I who asked for the consultation. I invited them to come and see me. I was quite prepared to hear their views. Therefore I do not think the hon. member has a very good case.

* * *

BANKS AND BANKING

REQUEST THAT EXCESS PROFITS TAX BE APPLIED

Mr. Edward Broadbent (Oshawa): Madam Speaker, quite apart from the failure of the minister to meet with them, there is the important question of policy matters which is of interest not only to members of the Canadian Labour Congress but to Canadians. One of my colleagues was on a radio open line show in Alberta this morning, speaking on the question of an excess profits tax for the banks. All kinds of positive indications were received that the majority of Canadians want the

excess profits of the banks dealt with now so that that money can be used for housing. That request also comes from the Canadian Labour Congress and, I repeat, from all kinds of groups across the country. I ask the minister, because as he knows we are going to recess next week, is he going to announce an excess profits tax on the banks and, if not, why not?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, the hon. member is quite extraordinary, to say the least. He is talking about an excess profits tax for the banks and asking us to bring in a measure. That very item was before the House of Commons last night and it was defeated. Does the hon. member not know that? He is reflecting on a decision already taken by the House of Commons that it is not appropriate at this time to establish such a tax.

It was not only the members of the government who defeated that resolution. The government was supported by a large number of members of the official opposition who would like some facts before a tax measure is established on the basis of a non-confidence motion moved by the Leader of the New Democratic Party. I find his questions getting more incredible every day.

* * *

● (1125)

THE BUDGET

REQUEST THAT CHANGES BE ANNOUNCED BEFORE CHRISTMAS

Mr. Edward Broadbent (Oshawa): Madam Speaker, the people of Canada find the Minister of Finance more and more incredible every day, considering that we had a vote some time ago on the budget in general. Since we had that vote it was the Minister of Finance who indicated that he was prepared to make a change, and we find it surprising that, having voted last night, he could so completely lock his mind in that he could not come to his senses and accept the possibility of an excess profit tax being reasonable. I point out to the minister that if he could change his mind in the past, one hopes that he could also do it in the future.

Since he has indicated there will be some changes in the budget, in spite of recent votes, would the minister tell the House whether he will announce those changes before Parliament recesses at the end of next week, or will he wait until all Members of Parliament have gone home, and then announce changes that he thinks will be quite unacceptable to the people of Canada?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I answered that question yesterday when it was asked by an hon. member from Vancouver. I told the hon. member that I was receiving representations from various groups in the country, that I was listening, and that if I found adjustments necessary I would announce them as soon as possible. If it is possible to do that before the House recesses next Friday, then I will do that. It would be my preference to do it in the House of Commons, or at least to inform the House of Commons.

Mr. Clark: You will be as cowardly as Mr. Pepin was with VIA Rail.

Mr. MacEachen: I am not undertaking to do anything other than that. If the House is sitting when I make these changes, obviously I will draw these changes to the attention of the House.

* * *

NATIONAL ENERGY PROGRAM

EFFECT ON INDUSTRY

Mr. Scott Fennell (Ontario): Madam Speaker, my question was to be addressed to the Minister of Energy, Mines and Resources who was, first of all, sitting with the NDP, who then sat in his seat, and now he is obviously answering a question from one of his angry constituents. May I defer my question until he returns, Madam Speaker?

Some hon. Members: Oh, oh!

Mr. Clark: There he is.

Some hon. Members: Hear, hear!

Mr. Fennell: Madam Speaker, I would like to address my question to the Minister of Energy, Mines and Resources. The Chair will recall in October last year that he introduced, or the Minister of Finance, on his behalf, introduced a very negative National Energy Program that has caused untold damage to all the small Canadian oil companies, the service contractors and the drilling companies. Has the minister sat down and discussed the damage that the lack of interest deductibility will further cause to these small Canadian entrepreneurs, and, if so, what will he do about it?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, last year the government introduced a National Energy Program that has meant a significant increase in Canadian ownership of the Canadian oil and gas industry over the last year.

Some hon. Members: Hear, hear!

Mr. Lalonde: This program has meant a significant restructuring of the industry in favour of Canadians, rather than in favour of the multinationals that my friend and his party have always been so keen to support. It has also meant that we have introduced a piece of legislation called Bill C-48 that finally passed this House yesterday, after one year of filibustering by the opposition, and which will ensure the development of the Canada lands for the benefit of all Canadians.

Some hon. Members: Hear, hear!

Mr. Lalonde: These are some of the things that the National Energy Program has meant, in addition to a fair price for Canadians. Obviously because of the lack of agreement with the oil producing provinces, there have been problems in the last year in the oil and gas industry in western Canada. That I recognized. In September we managed to reach agreements with the oil producing provinces. We have got a good deal for the Canadian oil and gas companies. I am confident that they will take full advantage of all the benefits provided for, under those agreements and the energy program.

Some hon. Members: Hear, hear!

Mr. Fennell: Madam Speaker, that is hogwash.

Some hon. Members: Hear, hear!

INTEREST DEDUCTIBILITY PROVISIONS IN BUDGET

Mr. Scott Fennell (Ontario): I am from Ontario. What has happened to the ripple benefits from the three megaprojects that have been cancelled? Small service contractors, drilling operators and small Canadian oil companies are in disastrous shape. The new budget is putting them further down the hole. Could the minister plead with the Minister of Finance to remove the punitive lack of deductibility of interest with respect to small Canadian oil resource companies?

• (1130)

Mr. Hnatyshyn: How many Uranium Cities will we have?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, this hogwash has been the type of opposition and filibustering we have had from the opposition in the last year as far as energy is concerned.

Some hon. Members: Oh, oh!

Mr. Lalonde: The three megaprojects have not been cancelled. They have been the subject of negotiation. Next week I will meet with Alberta and the Alsands people, for instance, in order to arrive at an agreement which will ensure that the Alsands megaproject will proceed. Discussions are also taking place with the Cold Lake group in order to ensure that those projects proceed. The government is taking steps to ensure that those projects will be dealt with and that we will reach self-sufficiency in the country in the area of oil during this decade, at a price which will be fair to Canadians, and with a larger Canadian ownership and control of the industry, which that party has been fighting for the last year.

Some hon. Members: Hear, hear!

DIEFENBAKER MUSEUM

OFFER OF FORMER PRIME MINISTER'S HOME

Mr. Stan Darling (Parry Sound-Muskoka): Madam Speaker, my question is directed to the Minister of Public Works who is responsible for housing. I am sure the minister is aware of the deep respect and admiration many Canadians have for that very great Canadian, the late Right Hon. John George Diefenbaker. In his will the former Prime Minister left his home in Rockcliffe to the Government of Canada, to be opened to all Canadians as a special and significant museum. Would the minister advise the House whether the government has formally accepted the offer contained in Mr. Diefenbaker's will?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, I am pleased to indicate to the House that the government stands by its offer which was communicated to the executors of the will. The government, acting through the agency of the National Capital Commission, would be pleased to accept title to the property, providing that foundation officials will be responsible for the operation of the property as a museum. The offer still stands. There appears to be some difficulty or some disagreement between the foundation officials and the executors of the will, but the Government of Canada stands behind its offer to receive title and to co-operate with foundation officials in making that objective possible.

TERMS OF WILL

Mr. Stan Darling (Parry Sound-Muskoka): Madam Speaker, my supplementary question is directed to the same minister. Will the minister confirm to the House whether the government is prepared to accept the title according to the terms and conditions in the late Mr. Diefenbaker's will? These were spelled out specifically in the will. Certainly the minister must be aware of what was in the will and what Mr. Diefenbaker requested.

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, I can only repeat my answer. The government stands by its offer to accept title to the property through the offices of the National Capital Commission, which I think is probably the proper agency for dealing with this matter. It was under the condition that the foundation would be responsible for the maintenance of the museum in the future.

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RAILWAYS

CROWSNEST PASS RATE—STATEMENT MADE BY MINISTER OF AGRICULTURE

Mr. Vic Althouse (Humboldt-Lake Centre): Madam Speaker, my question is directed to the Prime Minister who assured the House in the last few weeks, in answer to a question of one of my colleagues, that there would be no change to the Crow rate until a consensus had been reached. Since the provinces of

Manitoba and Saskatchewan, along with most farmers, oppose any change to the rate, what action is he contemplating to discipline the Minister of Agriculture who said in Chatham recently that he wanted to change the Crow rate and thus drastically reduce net farm incomes to Canadian farmers?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, the hon. member seems to be making an argument rather than asking a question. The government is still discussing the matter of the Crow rate with the concerned parties, not only the farmers and the dealers but with the governments themselves. There is some difference of opinion among various inhabitants of the west. My ministers are trying to ascertain in what direction they would want to move, as being more beneficial to them.

MINISTER'S VIEWS

Mr. Vic Althouse (Humboldt-Lake Centre): Madam Speaker, my supplementary question is directed to the Minister of Agriculture. In his speech he said that the Crow rate works against the goals that they had set out in the federal agri-food strategy. Would the minister explain to the House what benefits he sees to farmers by doing away with the Crow rate? How does it benefit farmers to reduce net farm incomes to Canadian farmers?

Hon. E. F. Whelan (Minister of Agriculture): Madam Speaker, it is the hon. member's right to interpret what I said or what was reported in the newspaper—that is for sure. But it is not government policy to do away with the Crow rate, as the Prime Minister said. We have to have discussion and we have to find out what people are thinking. It was in answer to a question from the floor of the Ontario soya bean growers' meeting. If he wants to quote all the things said at that meeting, there is no time in question period to do it. What we are saying in the agri-food strategy is that we must create those jobs for the raw product which is produced, processed, etc., to ensure that there are jobs for them in western Canada, eastern Canada, or wherever it will be, to improve the over-all agri-food, farming, industrial sector, or the total industry, to make it better for all. This is what we are proposing in the agri-food strategy. We are not proposing in any place—nor did I say it in any manner or form—to do away with the Crow rate like the hon. member is suggesting.

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NATIONAL SECURITY

INFORMATION SOUGHT FROM PUBLIC SERVANTS BY MEMBERS OF PARTI QUÉBÉCOIS

Hon. Allan Lawrence (Durham-Northumberland): Madam Speaker, my question is directed to the Prime Minister. All political parties encourage the seeking of information about other groups and other parties, and all governments, domestic or otherwise, seek information about the activities, motives and intended policies of other governments. But in some cases, here in Canada in any event, we now know that the police or the security services have been used in error, or the police have gone too far in their sometimes conscientious endeavours in obtaining political information for their political masters.

My question to the Prime Minister relates to comments made yesterday outside the House, which I cannot believe were made by a Solicitor General without the very fullest briefing with his Prime Minister, relating to activities by members of the Parti Québécois in Quebec in obtaining information from federal government public servants, and the use of the security service in preventing this from taking place. Because this does not concern foreign governments and international relations are not involved, would the Prime Minister indicate what information was being sought, by whom, and from whom?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I recall a couple of years ago Mr. Parizeau, the minister of finance of the Péquiste government in Quebec, gleefully reporting that he was trying to cull secret information from the Government of Canada through various agents. I remember at the time the opposition thought that was a great lark. That may have been what the Solicitor General was referring to—I do not know. I have not seen or heard the statements he made yesterday.

Mr. Hnatyshyn: He is talking about today.

REQUEST FOR STATEMENT

Hon. Allan Lawrence (Durham-Northumberland): Madam Speaker, I am sure the Prime Minister realizes that the purport of the Solicitor General's statements yesterday had two elements, first, to warn those in Quebec who were seeking the presumably political information to stop and, second, to signal to the Canadian security service to go after them. In view of the history of past activities of the security service, especially in the province of Quebec, in rather extremely delicate circumstances such as this, I wonder whether I could obtain a commitment from the Prime Minister for a full, comprehensive statement, either from the Prime Minister or the Solicitor General before the House rises for Christmas.

Mr. Lalonde: That statement has been made.

• (1140)

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I will make that statement now. Any person, or government of any province which attempts to get confidential information by devious means from the Government of Canada, will be the object of government concern, and certainly it will be the job of the police and of the officials to prevent that from happening.

Oral Questions

AGRICULTURE

INTRODUCTION OF FARM CREDIT CORPORATION LEGISLATION

Mr. Leonard Hopkins (Renfrew-Nipissing-Pembroke): Madam Speaker, may I put a question to the Minister of Agriculture. On November 5 I asked the minister when the bill spelling out the amendments to the Farm Credit Corporation legislation would be ready for presentation to the House. He told me then that the draft legislation was completed. Can the minister now tell the House whether or not the Department of Justice, the Farm Credit Corporation, and he, as the responsible minister, will have this urgent legislation introduced in the House before the Christmas adjournment so that it can, we hope, receive quick passage, or is someone in the back rooms not treating this legislation with a sense of urgency?

Will the minister also discuss this matter with the government House leader, and through him with the other two House leaders, to make sure that the Farm Credit Corporation legislation does pass before Parliament adjourns for Christmas, so that those farm operations that qualify and are in great need can receive loans at a low rate of interest?

Hon. E. F. Whelan (Minister of Agriculture): Madam Speaker, the Farm Credit Corporation legislation is being discussed. It has been drafted and I hope it will soon be before the House planning committee, but I doubt if it could be presented before the House adjourns for Christmas.

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CANADIAN WHEAT BOARD

POSSIBLE INCLUSION OF CANOLA UNDER BOARD'S JURISDICTION

Hon. Don Mazankowski (Vegreville): Madam Speaker, my question is for the Minister of Transport. The minister in charge of the Canadian Wheat Board is recommending that Canola, a rapeseed, should come under the jurisdiction of the Canadian Wheat Board. May I ask the minister if that is the policy of the government and, if so, will producers be given an opportunity to express their preference through a plebiscite?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, I have read the speech made by the Minister of State responsible for the Canadian Wheat Board in which he indicated very clearly that he was making a suggestion to that effect, in order to help the development of debate on the subject. He did not announce it as a government policy. There is no reflection to that effect in his speech.

REQUEST THAT PLEBISCITE BE HELD

Hon. Don Mazankowski (Vegreville): Madam Speaker, could the minister answer the second part of the question, namely, will the producers of Canada be provided the opportunity to express their preference through a producer plebiscite?

Hon. Jean-Luc Pepin (Minister of Transport): I do not know, Madam Speaker, although I know that this method was used previously in order to determine a position. I do not know if that method would be used again, but it might.

* * *

REGIONAL ECONOMIC EXPANSION

ABSENCE OF MINISTER

Mr. Tom McMillan (Hillsborough): Madam Speaker, my question would be for the President of the Privy Council in his capacity as government House leader, but in his absence perhaps I can direct it to the Prime Minister. The Minister of Regional Economic Expansion is not in the House today; he was not here yesterday, and he was not here the day before. In fact, he has not been in the House for question period practically since Parliament reconvened. Would the Prime Minister explain to the House why the minister for DREE continues to hide from questions from members about his responsibilities?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, I would be pleased to accept notice of the question from the hon. member if it had some substance because, under the procedures of the government, today I am the minister designated to receive questions on behalf of the minister for DREE. I can assure the hon. member that the reputation of the minister for DREE is that of one who is receptive and responsive to representations made by all members of the House.

Some hon. Members: Hear, hear!

MINISTERIAL RESPONSIBILITY

Mr. Tom McMillan (Hillsborough): Madam Speaker, there can be no more substantive question than the responsibility of cabinet ministers to the House of Commons. In light of that, may I again direct my question to the Prime Minister. Why does the minister of DREE continue to hide from legitimate questions about his department, asked in the House of Commons? Will the Prime Minister instruct the minister of DREE to attend question period, at least on a regular basis. We know that he is in Ottawa, so we know that he can be here, but he refrains from attending question period to answer legitimate questions about his department's responsibilities.

Right Hon. P. E. Trudeau (Prime Minister): I am sure that you, Madam Speaker, and certainly I personally, have heard the minister of DREE answer many questions—

An hon. Member: When? Give a date.

Mr. Trudeau: —and he has made those replies with extreme competence. Indeed, he generally devastates the questioner.

I imagine the hon. member screwed up his courage to ask the question today because the minister happens to be away. The hon. member should ask the question when the minister is

here. I do not know why he says the minister is in Ottawa. He is in Africa, representing the Canadian government on a very important mission.

Without knowing the statistics, I would say that the minister responsible for DREE is in the House about as often as the Leader of the Opposition.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

* * *

HOUSING

DANGER OF EVICTION TO ONTARIO TENANTS

Mr. Dan Heap (Spadina): Madam Speaker, my question is directed to the minister responsible for housing, if hon. members across the way will allow us to continue with the session.

At a housing conference held in Toronto on November 21, the minister was asked by the Metro Ontario Housing Tenants Council to speak with the Ontario minister of housing about the "empty nester" evictions policy begun by the Ontario Housing Corporation which is under contract to Canada Mortgage and Housing Corporation. The situation is that up to 2,600 more tenants of Ontario Housing are in danger of eviction because their children have started work, are leaving home, have died, or their spouses have died. Of these, 70 per cent—

Madam Speaker: Order, please. The hon. member knows that he need not have these long preambles. If he has a question I think that would be more useful.

Mr. Heap: Thank you, Madam Speaker. My question is no longer than many others you have not commented upon.

Some hon. Members: Oh, oh!

Madam Speaker: I would say that the questions of the hon. member are usually quite long, but I will have a question immediately if he has one.

Mr. Heap: Madam Speaker, my question to the minister is to find out whether at his recent meeting with the Ontario minister of housing he raised the question about the "empty nester" evictions policy, and whether he can tell us if it will be stopped.

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, I thank the hon. member for his question. The answer is that yes, indeed, I did raise the matter with the minister responsible for housing for the province of Ontario, on Monday of this week. The minister indicated that this matter, being within the jurisdiction of the government of the province of Ontario, is under review. The question of the "empty nesters" in the age group of 50 to 59 is under review. The minister indicated that although he is concerned about the accommodation needs of that group, he is under tremendous pressure to provide, in addition, accommodation to families with children. The policy has not been finalized; it is under review, and I understand that it has been discussed publicly in the forum of the social services committee of the Metropolitan Council and that there has been an opportunity for input from the public at large.

NEED FOR ADDITIONAL RENTAL ACCOMMODATION

Mr. Dan Heap (Spadina): Madam Speaker, I have a supplementary question for the same minister. In view of the 23 per cent increase in rent in Toronto, will the minister negotiate with the minister of housing for Ontario to begin building more supplemented low-rental housing under the auspices of the Ontario Housing Corporation?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, of course the decision of whether the province takes advantage of Section 40 of the National Housing Act is within the competence of the provincial government which must take that decision. I did have an opportunity of discussing the allocation of modest rental units under the Canada rental supply plan announced by the Minister of Finance in the budget when I spoke with the provincial minister. I also indicated that in addition to the allocation to the province of those units, one third of them could be further rent supplemented in a joint program between the province and the federal government. I understand that the Ontario government is seriously considering taking up those rent supplement plans.

* * *

● (1150)

AGRICULTURE

MOVEMENT OF POTATO SHIPMENTS THROUGH STATE OF MAINE

Mr. Eymard Corbin (Madawaska-Victoria): Madam Speaker, my question is directed to the Minister of Agriculture. I would like to know whether the minister and the Government of Canada are intervening in the ridiculous actions taken by the state of Maine to block the free movement of New Brunswick potatoes to U.S. markets through that state. If this is so, can he briefly tell this House where the matter now stands? Is he supporting U.S. federal government action in its attempts to convince the Governor of the state of Maine that what the state is now doing is contrary not only to the U.S. Constitution but to the international free trade agreements as well?

Some hon. Members: Hear, hear!

Hon. E. F. Whelan (Minister of Agriculture): Madam Speaker, a regional federal court has made a decision that the injunction which was requested by the United States Department of Agriculture was not in order.

I understand that USDA and CDA and other governmental officials here have been requested to consider taking the

problem to GATT. I believe that is where it will go because, as the hon. member says, it is contrary to our trading agreement under GATT. This is a situation where a state has passed a law which is a trade restriction type of non-tariff barrier, but nevertheless, it is really a barrier. It is an inspection service where every truckload of potatoes crossing the state border must pay a $200 inspection fee, which makes the cost of transshipping the potatoes into the United States an impossible and exorbitant cost. We believe that the only way to go is through GATT.

Mr. Paproski: Would you say it's a hot potato?

* * *

ORDERS AND DECORATIONS

POLICE SERVICE MEDAL

Hon. Walter Baker (Nepean-Carleton): Madam Speaker, my question is directed to the Prime Minister. On the occasion of the Diamond Jubilee of the Canadian Association of Chiefs of Police in 1980, the Prime Minister announced the intention of the government to establish a medal for long service for Canadian police. As late as December 8, earlier this week, when we were at Government House I spoke to the Director of the Chancellery of Canadian Orders and Decorations, and he had not heard anything about any progress in that matter through the Privy Council Office. Could the Prime Minister advise the House on the status of that decoration, and give some indication of when it might become available for Canadian police forces?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I do remember the undertaking which I gave in a message to the chiefs of police on the occasion of their anniversary. I indicated that, because of the very important work done by the police forces in this society in keeping a balance between freedom and respect of the law, I would be setting up the presentation of such a medal.

As the hon. member gave me notice before the proceedings of the House began, that he would be raising the subject, I had occasion to inquire. I am told that the placing into effect of that announcement will be early in the New Year, that certain administrative matters still remain to be cleared up, but that the work is well in progress and almost finished.

Mr. Baker (Nepean-Carleton): Thank you.

Mr. Trudeau: Thank you.

* * *

RAILWAYS

CROWSNEST PASS RATE—GOVERNMENT POSITION

Mr. Jack Murta (Lisgar): Madam Speaker, I would like to direct my question to the Minister of Transport. The issue concerning the Crowsnest Pass rate has come up this morning. I would like to ask the minister if he can clear the air. There are obviously two points of view on this whole question.

Can the minister tell the House whether there are contemplated changes to the Crowsnest Pass rate which will change the payout of money to the railways, the farmers, or whatever? If there will be changes, could the minister indicate in what area the government is now looking at changes, and also what form these changes may take? For example, might we see a task force, or a white or blue paper on the whole question of transportation in western Canada?

Some hon. Members: Order in council.

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, I wish there were only two points of view on this subject. One of the difficulties is that there are more than two. The Prime Minister and the Minister of Agriculture have indicated what is now taking place. I have already answered a question to that effect. Ministers are now discussing among themselves the best approach to the resolution of what is essentially a western transportation problem, a mainline transportation problem.

At the moment, two general approaches, found all over western Canada, are being debated. One is the comprehensive or system approach which would encompass a discussion and resolution of the problem of the Crowsnest Pass rate. The other is the special project approach which would mainly consist of the best possible use of the $1.3 billion that the Minister of Finance has made available for that purpose. Therefore, this discussion is ongoing, and as soon as that is resolved there will be a discussion with interested parties in western Canada, and refinements on different items and points which would constitute a resolution to this question.

DATE OF IMPLEMENTATION OF POSSIBLE CHANGES

Mr. Jack Murta (Lisgar): Madam Speaker, my supplementary question is directed to the Minister of Transport who should know, and I believe he does know, that there are basically two groups which are concerned and are against any change in the Crowsnest Pass rate. Those groups are the Farmers Union and the New Democratic Party, both federally and at the provincial level.

Some hon. Members: Hear, hear!

Mr. Murta: Farm groups in Manitoba and Saskatchewan, and virtually all farmers in western Canada, are in favour of a change of some sort.

An hon. Member: Not so.

Mr. Murta: Will changes be made to the Crowsnest Pass rate in 1982?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, I am once again very grateful to the hon. member for Lisgar for indicating that he is a disciple or a proponent of a move on the subject. I think that the NDP takes a position

with regard to this subject, and a few others, which is rather reactionary, not to say more.

Some hon. Members: Hear, hear!

Mr. Pepin: However, there are indications that there might be movement there, too, because instead of referring to "the" statutory rate, some of them are referring to "a" statutory rate which, if we look very closely, would indicate that they might not be entirely hopeless.

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WESTERN DEVELOPMENT FUND

POSSIBLE USE IN PAYMENT OF GRAIN EMBARGO COMPENSATION TO FARMERS

Hon. Ray Hnatyshyn (Saskatoon West): Madam Speaker, I would like to direct my question to the Minister of Finance. There has been considerable confusion on the part of the government with respect to the origin of the payment of $81 million to farmers as a result of losses sustained by the implementation of the Soviet grain embargo. The officials of the minister's department have now indicated that this has been taken from the Western Development Fund, and the Minister of Agriculture says it is from his department.

I wonder whether the Minister of Finance, having now had an opportunity to look into this matter, could report to the House as to whether or not there is a Western Development Fund, and whether the $81 million comes from that fund.

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, first of all, there is a Western Development Fund.

Some hon. Members: Hear, hear!

Mr. Lawrence: You found it.

Mr. MacEachen: I will check with regard to the specific point raised by the hon. member concerning the source of that particular compensation program.

Mr. Hnatyshyn: The minister was asked the very same question two weeks ago. I imagine we will get the answer by about 1986.

USE OF MONEYS FOR RAILWAY TRANSPORTATION

Hon. Ray Hnatyshyn (Saskatoon West): Madam Speaker, my supplementary question is directed to the Minister of Transport. In terms of the intentions of the government with respect to the so-called Western Development Fund, if it does in fact exist, $1.3 billion has been dedicated toward the upgrading of western grain transportation. One of the options being put forward by the minister is that that money be used to close the gap between the compensatory rate and the actual cost to the railways. Is the government now in a position to say whether that is its intention? There is very great concern in western Canada with respect to the Crow rate. The people of Saskatchewan do not want anyone fooling around with the Crow rate.

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, this is part of the discussion which is now ongoing. However, without breaking cabinet solidarity, I think I can say, glancing at the Prime Minister, that this $1.3 billion will go to western railway transportation. There has been a discussion on that matter.

Mr. Lawrence: He is looking at you, too.

An hon. Member: Doubletrack.

Mr. Pepin: It seems that there is some worry in western Canada concerning other transportation issues. I was able to tell the hon. member that we could take care of air transportation requirements, for example, with the budget of the Department of Transport.

Mr. Hnatyshyn: It is a national responsibility.

Mr. Pepin: Therefore, that is the situation. The $1.3 billion will go to the western railway mainline transportation system.

I would like to observe that this is only part of what the federal government does by way of helping western transportation and the grain industry, in particular, because over a five-year period the $1.3 billion will be on top of $2.2 billion which is already in the Department of Transport estimates for that purpose. The importance of the subject of ensuring western Canada of the best railway transportation system the world has ever seen is in the mainstream of the preoccupations of this government.

* * *

• (1200)

COMMITTEES OF THE HOUSE

CHANGES TO PROCEDURE RESPECTING PRINTING OF REPORTS

Madam Speaker: I would like to make a statement on the new procedures concerning the printing of committee reports.

In order to make the *Votes and Proceedings* of the House more readable and to reduce the current substantial expenses of printing committee reports in as many as three or four separate formats, it has been decided in consultation with the Commissioners of Internal Economy and the House leaders to implement the following procedures:

That the text of committee reports on subject matters be printed only in a regular committee issue and not appear in a special edition or in the *Votes and Proceedings*;

that such reports when tabled in the House of Commons be assigned a sessional paper number which will be duly recorded in the *Votes and Proceedings*;

that reports on bills and estimates continue to appear both in the regular committees' issues and in the *Votes and Proceedings*;

that the committees submitting reports of substantial length or on subject matters may choose to have distinctive covers attached to the regular committee issue.

* * *

PETITION

MR. SHIELDS—HERD MAINTENANCE PROGRAM

Madam Speaker: I have the honour to inform the House that the Clerk of the House has laid upon the Table the one hundred and fifty-fifth report of the Clerk of Petitions, stating that he has examined the petition presented by the hon. member for Athabasca (Mr. Shields) on Thursday, December 10, 1981, and finds that it meets the requirements of the Standing Orders as to form.

* * *

PRIVILEGE

MR. LEWIS—FAILURE BY MR. COSGROVE TO CLARIFY ALLEGED CONTRADICTORY STATEMENTS

Hon. Erik Nielsen (Yukon): Madam Speaker, I want to pursue the question of privilege which the Right Hon. Leader of the Opposition (Mr. Clark) flagged last Wednesday. It has to do, of course, with the right of the House and the members of the House to accurate answers from members of the ministry.

The nineteenth edition of Erskine May's Parliamentary Practice, at pages 141 and 142, shows very clearly that misleading the House of Commons is considered a very serious contempt of that institution, whether it is done by false documents, conspiracy to deceive or by a deliberately misleading statement. Two paragraphs in particular of that citation are of interest. The first at page 141 sets forth as follows:

> It has already been seen that the giving of false evidence, prevarication or suppression of the truth by witnesses while under examination before either House or before committees of either House is punished as a contempt; and that persons who present false, forged or fabricated documents to either House or to committees of either House are guilty of a breach of privilege. Conspiracy to deceive either House or any committees of either House will also be treated as a breach of privilege.

The second paragraph on page 142 reads as follows:

> The House may treat the making of a deliberately misleading statement as a contempt.
>
> In 1963 the House resolved that in making a personal statement which contained words which he later admitted not to be true, a former Member had been guilty of a grave contempt.

That citation referred to the Profumo case with which the Chair is very familiar.

These paragraphs show very clearly in my submission, Madam Speaker, that the House has always considered that it has the right to hear the truth, and any attempt to mislead the House is considered as a contempt and treated as such.

Our own precedents show that deliberately misleading the House can be done indirectly with a member or a minister being, in a sense, an agent of misrepresentation, but not himself culpable in contempt. That particular case was raised by the hon. member for Durham-Northumberland (Mr. Lawrence), who was then the member for Northumberland-Durham, in 1978 and it is very critical here to your consideration, Madam Speaker.

Mr. Speaker Jerome said on that occasion, which involved the drafting of a deliberately misleading reply to a letter from the hon. member for Durham-Northumberland:

> The complaint which is the subject matter of the question of privilege is not directly—

Madam Speaker: Order, please. The hon. member is arguing the case, and I do not know exactly which case. All of these references to precedents and to Erskine May may be invoked once the hon. member has exposed to the House where he feels there is a basis for a question of privilege. I would like to hear that. Of course, all these citations from Erskine May, to the effect that if someone has deliberately misled the House, or admitted that he has contradicted himself, he may be in contempt of this House, and of course that is true, relate to a description of what contempt of the House really is. But at this particular point this is not the information I seek. I would like the hon. member to tell me exactly where he feels he has a question of privilege.

Mr. Nielsen: Yes, I undertake to do that, Madam Speaker. In developing my argument I want to present it to you in the form in which I have prepared it, but I can promise you that that will develop as I proceed.

Madam Speaker: Order, please. The argument may not be developed before the case is exposed. If the Speaker should find a prima facie case of privilege then, of course, members are invited to develop their arguments. But at this particular point—

An hon. Member: Oh, no.

Madam Speaker: At this particular point, the members should present the Chair with the matter and with facts to substantiate the matter.

Some hon. Members: Oh, oh!

Madam Speaker: Yes, of course, that is what we have to do at this particular point.

Mr. Clark: That is today's ruling.

Mr. Nielsen: Madam Speaker, I have been raising questions such as this for 24 years in this place, and I have been developing them as I am developing this one now. In the light of my undertaking to link my argument with facts, surely the Chair will hear me out in the manner in which I have developed this argument.

Some hon. Members: Oh, oh!

Mr. Nielsen: I have given the Chair and other members, for the benefit of the minister who is interfering by his interjections, my personal undertaking as a member to present the Chair with those facts which have been requested of me by the Chair. I will do that, but I wish to do it in my own style and in the manner in which I have been presenting questions of this nature for 24 years, Madam Speaker.

Madam Speaker: I am sorry to interrupt the hon. member, but I was just reminding him of the procedures which we have followed in the House with regard to questions of privilege. The citations from Erskine May, even the lengthy ones that the hon. member is making, are the obvious; we all know that Erskine May has so described a question of privilege. What we really need to know is what this particular privilege is all about. I know the hon. member has his own style, but I would appreciate if he would describe the question of privilege so I can come to a conclusion.

Mr. Nielsen: I undertake with the Chair absolutely to do that, Madam Speaker. With respect to the lengthy citations from May to which the Chair has referred, one was nine lines and the other was three.

Mr. Speaker Jerome said on the occasion to which I referred:

That the complaint which is—

Mr. Cosgrove: On a point of order, Madam Speaker.

Mr. Nielsen: There is no point of order on a question of privilege.

Madam Speaker: Yes, there may be a point of order.

Mr. Nielsen: There is no point of order on a question of privilege.

Mr. Cosgrove: Madam Speaker, I rise on a point of privilege.

Mr. Clark: What rules are those?

Madam Speaker: Order.

Mr. Cosgrove: I have listened to the—

Madam Speaker: Order, please.

Mr. Cosgrove: Madam Speaker, I have listened to you—

An hon. Member: Sit down.

Madam Speaker: Order, please.

An hon. Member: Just submit your resignation and go.

Madam Speaker: Order, please. The hon. minister said he wanted to rise on a point of order, and subsequently he said he was rising on a point of privilege. I can only hear—

An hon. Member: Sit down, Paul.

Madam Speaker: If the hon. minister would please resume his seat.

An hon. Member: Sit down.

Madam Speaker: Would the hon. minister please resume his seat until I have finished explaining. As I was saying, the hon. minister said he was rising on a point of order, which I could hear in the course of a question of privilege. He subsequently mentioned that he was rising on a question of privilege. I do have to remind the hon. minister that I cannot entertain two questions of privilege at the same time. I may entertain a point of order in the course of the exploration of a question of privilege but not another question of privilege. If the hon. minister has a further question of privilege, I could hear him after I have heard the hon. member for Yukon.

• (1210)

Mr. Cosgrove: On a point of order, Madam Speaker, I have listened on two occasions today to the Chair ruling on procedures of the House. My point of order is that notwithstanding those two rulings, the member seeking the floor on a question of privilege is continuing to proceed with argument before fact. Obviously, Madam Speaker, I am a minister and the person who is the subject of those representations. My point of order is that the Chair and the House ought to follow its procedures. Otherwise, hon. members may find their privileges interfered with and I would have to rise on a question of privilege subsequently.

An hon. Member: That is not a point of order.

Madam Speaker: I had not ruled, I was cautioning the hon. member for Yukon about the usual manner in which we try to hear questions of privilege and to contain members who would like to argue the case before the question is exposed. That was the purport of my caution to the hon. member for Yukon.

I will now hear the hon. member for Yukon.

Mr. Nielsen: So as to get on with the matter, Madam Speaker, I will set aside the linkage which I intend to submit to the Chair but the argument and the presentation is now disrupted. I presented May's, I will set aside the argument with respect to our own precedents and I will now lay the facts out for the Chair and, I hope, for the minister.

It is my submission, Madam Speaker, that in the case at hand involving the minister responsible for housing, the House has clearly been misled. The question that it outstanding is, by whom?

Now, had I been allowed to present the precedent in our Canadian House, that question would be more relevant, but I will have to come back to it when I am through giving my version of the facts. I will suggest that both possible answers to the question "By whom?" lead us irrevocably to the conclusion that a contempt has occurred, thereby justifying an investigation by the Standing Committee on Privileges and Elections.

According to the citation from May and the citations which I have yet to make, the issue of a possible leak was first raised

in the House on Tuesday, November 17, as reported in *Hansard* at page 12827.

When asked about this suspiciously early appearance of budget advertisements, the minister said this:

—I learned generally of the provisions of the budget as they pertain to housing at a briefing of the cabinet by the Minister of Finance on Thursday afternoon. I learned specifically and saw the budget documents a few minutes before they were presented by the Minister of Finance in the House. My officials worked from five o'clock in the afternoon, through the evening, and early the next morning, and produced for my inspection that document—

Referring to the advertisement.

—which had been worked upon. It was authorized at noon on November 13 as a result of a meeting of the communications cabinet of the Government of Canada, as I say on Friday, November 13.

The minister clearly denied any early knowledge or early communication to anyone not properly involved in the budget process. In fact, he said that neither he nor his officials knew what was in the budget.

Not surprisingly, Madam Speaker, the issue was raised again by the hon. member for Leeds-Grenville (Mr. Cossitt) on Wednesday, November 18, when the minister had obviously had a chance to talk to his officials and make sure that he was giving the story not only as he knew it but as they knew it. The minister added to his story but did not change any material particular. At page 12886 of *Hansard,* the minister said:

—I have had the opportunity since responding to the questions yesterday afternoon to speak to officials on this matter. I would confirm that the story reported in *The Globe and Mail* today, on page 8, does consist of the facts as I understand them. The facts are correct that, first, no publication of any material affecting housing in the budget was printed until after the budget, that is, November 13.

Said the minister:

I also confirm that no material pertaining to that advertisement was in the hands of the firm to which the hon. gentleman has just referred. Indeed, their work for Canada Mortgage and Housing Corporation was to obtain space, which they did.

I would add, finally, that after the budget was delivered in this House, representatives of Canada Mortgage and Housing Corporation released an advertisement, which was then taken to the newspapers after the budget was delivered—

The minister, therefore, has given a statement to the House before and after consultation with his officials that no one outside the normal and accepted process had access to budget material. On occasion, the minister even implied that it was just dumb luck that the final advertisement had the exact text of the budgetary proposal.

The question was again pursued on Tuesday, December 3, when the hon. member for Leeds-Grenville had investigated further. In response to that question the minister said, as reported at page 13683:

—the brief answer is that no person was aware who was not authorized and under normal budgetary security—all employees or civil servants in the employ or control of the federal government, no person beyond those was aware or had in their possession the particulars of the ad—

The hon. member then asked a supplementary question and even repeated the reference to Studio S & B which was mentioned by the hon. member for Leeds-Grenville. The minister repeated his story and again I quote from page 13684:

—I will stand by my previous answer today and on other occasions in this House. I would say to the hon. gentleman that the employee he is referring to, Mr. Crombie, was in a lockup prior to the budget and he was there until the normal time when the media and all authorized people in that lockup were released.

The next day, Madam Speaker, a new truth appeared and the story changed. The minister now said, as I quote from page 13728 of *Hansard*:

The Canada Mortgage and Housing Corporation officials had charge of the security of this document until such time as it was delivered to the newspapers after the speech. They were assisted by some employees of the firm of S & B in Montreal.

They were assisted by typesetters who assisted in setting up the document. It was prepared by CMHC in anticipation that the recommendations to the Minister of Finance by me would be accepted and would be in the budget as announced. When that was confirmed, Canada Mortgage and Housing Corporation authorized the release of those documents which were in sealed envelopes—

Madam Speaker, the House clearly had been misled and upon reflecting on how that occurred, the House has two clear and unavoidable alternatives. They are, either the minister deliberately misled the House and finally gave in and told the truth when he had no alternative but to do so, and in doing so admitted that his earlier statements were false, or the minister's officials misled the minister, causing him to mislead the House and those officials did not give up and tell him the truth until they had no choice.

The first alternative is a contempt under the Profumo citation, which is already submitted and is on the record, and the second is a contempt which is a prima facie case of privilege under the specific terms of the ruling to which I might now refer, now that this degree of fact is before the Chair.

The ruling of Mr. Speaker Jerome on the case of the second alternative, the one that was raised by the hon. member for Northumberland-Durham, as his constituency was then called, was:

The complaint which is the subject matter of the question of privilege is not directly a complaint about the minister. Indeed, it is founded on the fact that it is one of the minister's officials who has calculated to contrive this deliberate deception of the House. In fact I have indicated some concern about the fact that this may perhaps be looked upon as a new departure in our practice—that we are going around the minister to get directly at the official by way of this question of privilege. Even if that is so, I have come to the conclusion that it is not a procedural basis upon which I can intervene. Once again, it is a matter to which the House can address itself in debate, and in amendment if necessary, or in a vote—

● (1220)

On that occasion Mr. Speaker Jerome went on to say:

That leaves us with the complaint of the hon. member for Northumberland-Durham respecting the testimony of former commissioner Higgitt—and I assume there is no further argument to be addressed to this matter at this time—to the circumstances in which the Solicitor General's letter dated September 4, 1973, was drafted. Does that lead us to the conclusion that, by virtue of an act or ommission, the House, or a member, has directly or indirectly been impeded in the performance of its functions or his duty, or that there has been a tendency to produce such result? If I so find, then I really have no choice but to find, prima facie, that a contempt has been committed.

The Speaker then quoted from the commissioner's testimony that letters were not drafted "on precise statements of fact". Mr. Speaker Jerome concluded in this fashion:

I can interpret that testimony in no other way than meaning that a deliberate attempt was made to obstruct the member in the performance of his duties, and consequently, to obstruct the House itself.

Even beyond the precedents and the complex law of privilege, I cannot conceive that there is any one of us who would accept the argument that this House of Commons has no recourse in the face of such an attempt to obstruct by offering admittedly misleading information.

This citation has two key points. First, the House does have a right not to be deliberately misled and, second, the ruling established that a contempt has occurred if an official misleads a minister and causes him to mislead the House. That was the argument I wanted up front to support the two alternatives I put to the Chair. I submit at this stage that the Chair now sees the logic of that form of presentation.

In conclusion, I suggest that since a reference to a committee is required either way—the Chair can adopt either option—the House should be allowed to make a decision on a reference, and it can only be allowed to do that, of course, if the Chair finds that prima facie there is a case of privilege. I hope no one in the House will suggest that, because we are not sure which of the citations applies, neither should, because such a result would be rather absurd. A contempt has unquestionably, in my submission, been committed according to both logic and precedent in both instances.

If you find that there is a prima facie question of privilege, this is the form of motion I would move:

That this House, having been misled by the answers of the minister responsible for housing, either directly by the misinformation admittedly supplied to the House by the minister responsible for housing, or by officials of the minister, who in misleading the minister misled the House, declares that a contempt of this House has occurred, and refers the question to the Standing Committee on Privileges and Elections for investigation and report.

Finally, I strongly suggest, in view of the very serious nature of this matter in terms of the consequences your ruling on it will have on this particular privilege of the House and its members, that you follow the very excellent course of your predecessor, Mr. Speaker Jerome, when he had under consideration the question of privilege raised by the hon. member for Northumberland-Durham, as he then was, take the matter under consideration until you have very carefully reviewed the precedents I have cited and provide us with a ruling after you have had that full opportunity to give this matter the careful review and consideration it deserves, having regard to the very serious downstream consequences it could have on the privileges of all of us and of this institution.

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, when I rose earlier on a point of order respecting this issue I said I felt that the Chair had asked that facts be presented before the House before the Chair entertained consideration of the logic or the precedents which would guide the Chair in this matter. I rise now to make a contribution to the question raised by the House leader of the opposition and to direct just a few comments to the facts.

I draw to the attention of the Chair that in the two fairly lengthy excerpts taken from *Hansard*, reference was made to a firm which had assisted Canada Mortgage and Housing Corporation officials in the typesetting for an ad. There was a very clear implication that the references in each of those quotations given to your Honour were one and the same. However, a careful look at the facts and at *Hansard* will show that the first reference was to a firm which indeed was shown not to have had any dealings at all, with the exception of taking space. I only bring this to Your Honour's attention to point out the difficulty the Chair must face in trying to sort through facts and the danger of assuming that these facts come together, which might prompt the Chair to move on to consideration of precedent or argument.

Finally, I would like to say to Your Honour, to hon. members opposite and hon. members on this side that, in answer to a question yesterday dealing with budget secrecy, the Minister of Finance (Mr. MacEachen) said that it is very difficult to prepare a budget, which is a complicated document, in this day and age. For example, the Canada mortgage renewal program, which was the subject of the ad which is at issue here, involves certain implications respecting financial institutions and provincial governments and their plans. Your Honour has heard discussion about similar legislation in one of the provinces. It is not easy to prepare a plan in isolation.

For that reason when I have the opportunity—and it will be shortly—to introduce the legislation necessary to implement the Canada mortgage renewal plan, I will have the opportunity to tell the House about the steps which were required and are necessary for the government to implement this plan in order to demonstrate to the House the difficulty of maintaining what we know as our tradition of budget secrecy while also meeting the modern requirement of communicating information to the public about such a plan so that all those involved, such as financial institutions, the public and other goverments, are quickly apprised of government action.

Mr. Nielsen: That is not the issue.

Mr. Ian Deans (Hamilton Mountain): Madam Speaker, I will be very brief. A charge of contempt is indeed a very serious matter. I must say to the House leader of the official opposition that two matters strike me. Though his argument was complicated, it certainly was very compelling. The information he placed before your Honour will undoubtedly take time to digest. I am therefore impressed that he would ask that you should consider it over the weekend at least before coming to any decision.

I too have had some reservations about the contradictions which have appeared in *Hansard* and, in fact, raised them on another occasion when this matter was before the House. Although the minister responsible for housing offers an explanation and although his explanation may tug at one's heart strings, I suggest it does not explain away the contradiction.

I eagerly await Your Honour's ruling and hope there might be an opportunity, having being given some time to review the representation made by the House leader for the official opposition, for some further input before that ruling is given to the House.

● (1230)

Hon. Perrin Beatty (Wellington-Dufferin-Simcoe): Madam Speaker, I will be quite brief. In response to the minister's intervention, I would say that what the minister suggested was totally irrelevant to the issue that is before the Chair at the present time. The issue is not whether it is inconvenient or difficult for the minister to maintain a balance between consultation with industry and the question of the need for budget secrecy. The issue which the Chair is asked to adjudicate upon is whether the House was misled and whether such misleading of the House constitutes a breach of the privileges of Members of Parliament.

I want to underline two very relevant portions from *Hansard* which make it very clear to me that the House was given false information. I bring first to your attention page 12827 of *Hansard* of November 17, 1981, where the Minister of Public Works (Mr. Cosgrove) said the following:

> Madam Speaker, I learned generally of the provisions of the budget as they pertain to housing at a briefing of the cabinet by the Minister of Finance on Thursday afternoon. I learned specifically and saw the budget documents a few minutes before they were presented by the Minister of Finance in the House. My officials worked from five o'clock in the afternoon, through the evening, and early the next morning, and produced for my inspection that document which had been worked upon. It was authorized at noon on November 13 as a result of a meeting of the communications cabinet of the Government of Canada, as I say on Friday, November 13.

The document that was referred to when the hon. member for Leeds-Grenville (Mr. Cossitt) put the question to the minister was that ad which appeared over the minister's signature and which was placed by CMHC.

The minister has since conceded to the House that the truth was that the ad was prepared well in advance and that indeed it was distributed to various distribution points in Canada prior to the time that was mentioned by the minister in the House or his officials working over the document from five o'clock in the afternoon, into the evening until early the next morning. In fact, the advertisement had been prepared well in advance. The information had been communicated to the officials of Studio S & B some days in advance and very clearly the statement made by the minister at page 12827 simply does not bear any relationship to the facts.

Second, when the minister was questioned by various members in the House, he tried to give some indication as to when he was first informed and when his officials were first informed. At page 12834 of *Hansard*, the minister was asked by my colleague, the hon. member for Saskatoon West (Mr. Hnatyshyn) about the time the information was conveyed to various officials. He said the following:

> Madam Speaker, the hon. member indicated as he rose to ask the question that he would be repeating a question. I will repeat my answer. I was not aware of the provisions in the budget pertaining to housing until the Minister of Finance released in this House, or almost simultaneous with that.
>
> AN HON. MEMBER: You should have been.
>
> MR. COSGROVE: Nor was the Canada Mortgage and Housing Corporation knowledgeable as to what was in the budget, nor were they authorized to release or request publication of any advertisement that had to deal with the budget prior to that time.

What we have now learned is that in fact officials from CMHC had had confirmation that these provisions would be in the budget. They asked that the ads be prepared. The ads were indeed prepared and sent to various distribution points in the country for distribution once the budget was brought down.

Those ads were sent out. They were prepared on the basis of this information prior to the budget being brought down. That is why the Chair must look very carefully at the statements that were made on the record by the minister. Any sensible reading of the statements that were made simply leave us in a situation where it is impossible to reconcile what the minister said with the facts which we all know to be true at this time, and the facts which were conceded by the minister at a later date and were conceded, incidentally, by his officials.

Mr. Crombie himself has in fact confirmed publicly, and other officials from CMHC have, that those ads were worked upon in advance and that the information was prepared in advance and distributed in advance. It left the control of the officers of the government later in the evening once the budget was brought down, but the ads had been prepared and sent to various distribution points in the country prior to the release of the budget.

It is impossible to reconcile what the minister says with the truth and to find that in fact he was reporting on a factual basis to the House. Consequently that is the issue which the Chair is being asked to rule on; it is not the issue of whether or not it was difficult for the minister to balance budget secrecy with the need for consultation with private industry, but the question of whether or not the information given by the minister to the House was truthful and factual and whether on the face of it there is sufficient evidence to merit study by a committee.

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, the arguments made by the hon. member for Yukon (Mr. Nielsen) are almost entirely based on the item found in Erskine May, nineteenth edition, page 142 where it refers to the misconduct of members or officers of either House as such deliberately misleading the House. It states:

> The House may treat the making of a deliberately misleading statement as a contempt.

Prior to the Profumo case, I do not believe that there had been a reference to such a matter as constituting what might be analogous to a question of privilege, as whether a contempt is the same as a question of privilege, is arguable. I do not believe that was in there prior to that.

I do not think the situation we are talking about here has anything to do with the type of facts that were found in the Profumo case. In the Profumo case, a minister stood in the House and admitted to the House that he had lied. If we look at the citations we have in Canada as to whether this constitutes a question of privilege, the clearest point is found on page 12 of Beauchesne, Section 19(1), and I quote:

A dispute arising between two Members, as to allegation of facts, does not fulfil the conditions of parliamentary privilege.

This is really what we have here, a dispute between members as to the allegation of facts. In the opinion of some people there are contradictory statements. That is a dispute. We have not had a minister stand up and say that he has deliberately misled the House. I do not think there is any suggestion of that.

When the matter was first raised by the hon. member for Simcoe North (Mr. Lewis) the other day, he invited the Chair to break new ground and to extend the bounds of parliamentary privilege. I refer Your Honour to page 40 of the fourth edition of Bourinot where it is stated:

Each house, however, exercises and vindicates its own privileges independently of the other. At the same time it has been established by the highest authorities that although either house may expound the law of Parliament and vindicate its own privileges, it is agreed that no new privilege can be created.

Your Honour has been invited to create a new ground of privilege. It is suggested that somehow the area that really is, in my view, debate, a dispute over what the facts are, cannot be drawn into the ambit of the one reference in Erskine May which talks about deliberately misleading the House. This matter was covered very well by Speaker Michener in a ruling which appears in the *Journals* of the House of Commons of June 17, 1959, and was again referred to on October 30, 1964. I quote the words of Speaker Michener:

In my view, simple justice requires that no honourable Member should have to submit to investigation of his conduct by the House or a Committee until he has been charged with an offence.

What is an offence? Are contradictory statements an offence? It has been alleged that the statements are contradictory. In my opinion, that is a matter of dispute. Even if it was agreed, and it is not, that there had been contradictory statements, that does not constitute an offence. We do not have an offence. I do not think we have a charge. The Speaker on the same occasion, and this is at page 11268, repeated:

Once more there is nothing to prevent the hon. member from bringing a charge, properly drafted.

● (1240)

I would also refer the Chair to *Hansard* of October 30, 1964, at page 9595. I believe this was a statement made by Speaker Macnaughton. He stated:

It is undoubtedly a very serious thing to attack the conduct of any member of the House of Commons, and in that respect a specific charge should always be made, not a general charge. I am confirmed in this opinion by an excellent ruling . . . given by Mr. Speaker Michener on June 19, 1959—

That is the ruling I have just referred to.

The other day when the hon. member for the Yukon (Mr. Nielsen) wanted to reserve the right of raising this matter as a question of privilege, he referred to an incident when Mr. Pearson was Prime Minister. I looked up what I believed was the ruling to which the hon. member referred. In that ruling the words of Speaker Michener that I have just cited were reiterated.

Journals of the House of Commons for December 17, 1964, at page 1012, gives the ruling as follows:

Here we are dealing with a misstatement, not a question of privilege. There must be a real accusation made against—in this case—the Right Honourable the Prime Minister, and there must be something in the charge which shows the misstatement, if it was a misstatement, was made with intent, with purpose. There is no specific charge and in view of the ruling of Speaker Michener and of what I have said, in my opinion there is not a prima facie case and therefore no question of privilege.

The one precedent that the hon. member for Yukon raised the other day, we have not heard too much about today, and after having an opportunity to read it, I understand why we did not hear too much about it.

I should also like to refer to some comments made by the late Right Hon. John Diefenbaker. This is found on page 4825 of *Hansard* of June 17, 1959. Approximately two weeks ago we were having a dispute about whether or not a budget leak had occurred. There were certain innuendoes made that the minister had been responsible for a budget leak. At that time I referred to the clear precedent, tradition and custom that follows when an hon. member makes a charge of another hon. member, and that is that he basically puts his seat on the line. Mr. Diefenbaker raised this point in 1959 and referred to that 1924 case. He went into it in great detail. In referring to the action that was taken by Mr. Porter, who made the charge at that time, Mr. Diefenbaker said at page 4826 of *Hansard* of June 17, 1959:

He went into detail and finally moved the motion, which is found at page 2405. He took the course—not the course of innuendo, insinuation and inference—that members have taken in every generation in this parliament. He made a charge, and this is the motion he made:

Then he read the charge. Reference was also made to statements made by the Right Hon. Arthur Meighen, found on page 4826 of *Hansard* of June 17, 1959. Mr. Meighen said:

On this occasion the proper course undoubtedly has been pursued by the hon. member for West Hastings (Mr. Porter). He has made allegations of conduct against a minister of the Crown, conduct inconsistent with the traditions and honour of parliament, conduct designated as improper in every case where similar questions have arisen in this or in the British house. He has taken the full responsibility, and in a speech temperate in tone and very fair in every respect has laid his charges and made his motion.

The motion is the right motion. The privileges and elections committee historically is the committee which always deals with any contested questions affecting the privileges of parliament. There has never been a case in our history where, a charge being formally laid, the full responsibility being taken and a reference to this committee asked for, such a request or such a resolution has been negatived.

I should like to repeat the phrase "the full responsibility being taken". I think there is only one conclusion that one can draw from that, and that is that if a member makes a charge, he is putting his seat on the line.

An hon. Member: That is silly.

Mr. Smith: I do not happen to think that that is silly at all. I think it is a tradition that we can substantiate by statements made by two former leaders of the Conservative Party, Mr. Diefenbaker and Mr. Meighen.

Mr. Beatty: Obviously the hon. member does not have much confidence in his charges.

Mr. Smith: I think what we have here is a witch-hunt and a bit of a fishing expendition, Madam Speaker. You have been invited to break new ground in terms of what constitutes privilege. I do not believe that is something that you are in a position to do. I think that the precedent found in Erskine May that related to the Profumo case in the British House has no application here whatsoever. We are dealing with people's reputations and with people's careers. I do not think one should tamper with and cloud those reputations and careers lightly. I think one has to put or shut up. I hope that hon. members opposite will either do that or drop this issue.

Madam Speaker: I believe it is my duty at this time, considering the concern of the House on this particular question and the various arguments that have been brought forward, to take the matter under consideration.

* * *

HOUSE OF COMMONS

ATTIRE OF MEMBERS

Mr. Ian Waddell (Vancouver-Kingsway): Madam Speaker, I rise on a point of privilege, if this is the time. It is in a little more light-hearted vein, I might say. Very briefly, at page 13920 of *Hansard* of December 10, 1981, it was brought to my attention that the hon. member for York East (Mr. Collenette) said: "This may be a small and picayune point", something for which the hon. member is famous. He brought to the Chair's attention that I was present in the House, he said, "without the usual jacket and tie".

I should point out that I did have the usual jacket on, but not a tie. It was my understanding, Madam Speaker, that after a previous incident of this nature involving the hon. member from Notre-Dame-de-Grâce-Lachine East (Mr. Allmand), that it was indeed possible in the House to wear a turtleneck.

Mr. Nielsen: No.

Mr. Waddell: I notice that the Minister of State for Mines (Mrs. Erola) has her tie on today and I congratulate the hon. member. I have also worn mine for the occasion, but perhaps tomorrow the hon. member might not be wearing her tie. I am not quite sure, Madam Speaker, whether it is possible to appear in the House, when one is not asking a question or seeking to be recognized, without wearing a tie.

To be perfectly rational, in 1981 it seems to me, if one is dressed in a perfectly fine turtleneck and a good jacket, that one should be able to appear in the House. It seems to me that the procedure is archaic and backward and I cannot find it written anywhere. However, I will, of course, take my direction from the Chair. I should like to have the matter clarified.

Madam Speaker: Yesterday I did clarify the matter, in the absence of the hon. member. No, the rule or the custom has not changed, despite several attempts, I think, by some hon. members, and even the hon. member for Notre-Dame-de-Grâce-Lachine East (Mr. Allmand), who had worn a tie, I believe, over his turtleneck. The custom has not changed. In order to come into the House, *et à plus forte raison*, to be recognized on the floor of the House, members are required to wear jackets, shirts and ties. Until further notice, that is the decorum that I will try to preserve.

Some hon. Members: Hear, hear!

Mr. Waddell: Madam Speaker—

Madam Speaker: Is the hon. member not enlightened by what I have just said?

Mr. Waddell: I take it, Madam Speaker, that excludes female members?

Some hon. Members: Oh, oh!

Madam Speaker: Naturally the proper attire for a female member is not the same as the proper attire for male members. It is quite obvious.

Some hon. Members: Hear, hear!

ROUTINE PROCEEDINGS

[*Translation*]

EXTERNAL AFFAIRS AND NATIONAL DEFENCE

FIFTH REPORT OF STANDING COMMITTEE

Mr. Marcel Prud'homme (Saint-Denis): Madam Speaker, I have the honour of presenting the Fifth Report of the Standing Committee on External Affairs and National Defence, and I wish to thank the leaders of the House for their usual courtesy in agreeing that today, with unanimous consent of the House, I may adopt the report when, Madam Speaker, you call the motions.

[*Editor's Note: For text of above report see today's Votes and Proceedings.*].

* * *

● (1250)

[*English*]

PETITION

MR. CLARK—EFFECTS OF HIGH INTEREST RATES

Right Hon. Joe Clark (Leader of the Opposition): Madam Speaker, I have the honour to lay upon the Table a petition signed by some 270 home owners in Scarborough, in the constituency of the minister responsible for housing which I visited the other night. They indicated that due to their

inability to get any action from their member of Parliament on matters relating to housing, they would ask me to act in his stead and represent their interests in the House of Commons. Consequently, I am pleased to lay upon the Table a petition respecting interest rates signed by 270 residents of the city of Scarborough in the province of Ontario.

* * *

EXTERNAL AFFAIRS AND NATIONAL DEFENCE

CONCURRENCE IN FIFTH REPORT OF STANDING COMMITTEE

Mr. Marcel Prud'homme (Saint-Denis): Madam Speaker, I have the unanimous approval of House leaders—and again I thank them for their courtesy—to move, seconded by the hon. member for Humber-Port au Port-St. Barbe (Mr. Tobin):

That the fifth report of the Standing Committee on External Affairs and National Defence, presented earlier this day, be concurred in.

Madam Speaker: Does the hon. member have the unanimous consent of the House to move the motion?

Some hon. Members: Agreed.

Madam Speaker: Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to.

* * *

FINANCE, TRADE AND ECONOMIC AFFAIRS

SUBCOMMITTEE ON IMPORT POLICY—MOTION RESPECTING POWER TO TRAVEL

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, I move, seconded by the hon. member for Humber-Port au Port-St. Barbe (Mr. Tobin):

That the subcommittee on import policy of the Standing Committee on Finance, Trade and Economic Affairs and the three members of the subcommittee, accompanied by the necessary staff, be empowered to adjourn from place to place or travel inside and outside Canada, provided that such travel take place before February 15, 1982 and provided that the estimated expenses for such travel and the locations to be visited are defined in advance and that the subcommittee be empowered to retain the necessary expert staff to assist in the preparation of its report.

I have been advised that this has been agreed to by all parties.

Madam Speaker: Is there unanimous consent that this motion be presented to the House?

Some hon. Members: Agreed.

Madam Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. Members: Agreed.

Motion agreed to.

Order Paper Questions

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, the following questions will be answered today: Nos. 2,783 and 3,109.

[*Text*]

CANAPOST INCORPORATED

Question No. 2,783—**Mr. Cossitt:**

1. Is the government aware that Canapost Incorporated, 350 Sparks Street, Ottawa, is bidding on a contract in Saudi Arabia to automate the post office in that country?

2. (a) To the knowledge of the government, did the bid submitted by the company contain a letter written by Mr. James Corkery, deputy postmaster general, giving references for the company and the consortium of companies involved with it (b) did Mr. Corkery promise in the letter that, if the contract were given to the company the Post Office Department would lend special assistance?

3. (a) Who authorized Mr. Corkery's letter on behalf of one specific bidder and what was the name and job designation of the highest ranking individual involved (b) is it government policy to assist one bidder against another in obtaining foreign contracts and, if so, on what date and for what reason was the policy established?

4. Did Mr. Corkery act on his own initiative and, if so (a) will the government investigate the matter to determine if his actions are considered ethical (b) has the government already investigated the matter and, if so, what were the results of the investigation?

Mr. Gary F. McCauley (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): 1. Yes.

2. Mr. Corkery's letter did not support any particular bid. It only indicated Canada Post's willingness to work closely with Canapost Incorporated and contribute its experience and manpower in specific areas for the Postal Administration of the Kingdom of Saudi Arabia. Canapost Incorporated is a consortium of five individual manufacturing companies.

3. (a) The letter did not refer to any specific bidder, only to an invitation of Saudi Arabia PTT to the members of Canapost Incorporated to tender on their projects for mechanization program.

(b) No. See parts 2, 3(a) and 4 of this reply.

4. Yes. Following a request from Canapost Incorporated and in accordance with Canada Post policy to support the Department of Industry, Trade and Commerce in their efforts to assist Canadian companies in securing export orders against aggressive competition from foreign countries. (a) and (b) This is an established government policy; therefore, no investigation is considered necessary.

ACQUISITION OF SHARES BY CAPE BRETON DEVELOPMENT CORP.

Question No. 3,109—**Mr. Clarke:**

1. During the period 1970-80 did the Cape Breton Development Corporation acquire shares or other ownership interest in any other corporation, limited liability company or unincorporated company and, if so, what was the (a) name of the corporation, limited liability company or unincorporated company and any

subsidiaries thereof (b) percentage of equity acquired (c) cost of acquisition (d) book value of the acquisition?

2. Does the Cape Breton Development Corporation have a plan to change the present portion of ownership in any of these enterprises and, if so, what is the plan?

Hon. Pierre De Bané (Minister of Regional Economic Expansion): I am informed by the Cape Breton Development Corporation as follows:

1. During the period 1970-80 the Cape Breton Development Corporation acquired shares in limited liability companies listed below.

(a) Name	(b) Per cent of Ownership	(c) Cost of Shares Purchases
Reeves Modular Homes	33.3	$120,000
Margaree Window & Door	25	125
C.B. Woolen Mills	53.3	6,400
Stott Timber Ltd.	49	2,450
Cabotcraft Limited	60	60
Whale Cove Summer Village —preferred shares	100 —	240,000 —
Whale Cove Summer Village —common shares	62.5	25,000
Dundee Estates Ltd.	100	185,000
Marine Farming	100	5,000
C.B. Vegetable Co.	20	20
C.B. Lamb Ltd.	100	52,400
C.B. Welsh Black	50	4
C.B. Eels Ltd.	33	7,500

(d) In all cases the corporation was involved from the incorporation stage of the business and the book value of the acquisition equals the cost of the shares acquired. The preferred shares in whole have since been converted to long-term debt.

2. While some of these businesses have ceased to operate, there are no plans to change our shareholding in them.

Madam Speaker: The questions enumerated by the parliamentary secretary have been answered.

* * *

QUESTION PASSED AS ORDER FOR RETURN

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, if question No. 2,563 could be made an order for return, this return would be tabled immediately.

[*Text*]

FUNDING OF RESEARCH BY GOVERNMENT

Question No. 2,563—**Mr. Neil:**

What number of institutes or organizations that do research and carry out other related activities receive funds from the government, through departments or organizations such as the International Development Research Centre and the Canadian International Development Agency, and, in each case (a) what is the name of the organization (b) what is the amount for the current year (c) what was the amount for each of the previous five years?

Return tabled.

Mr. Smith: Madam Speaker, I would ask that the remaining questions be allowed to stand.

Madam Speaker: Shall the remaining questions be allowed to stand?

Mr. Beatty: Madam Speaker, I should like to draw to the attention of the parliamentary secretary for the second time question No. 2,644 which stands in my name and was put on the Order Paper on June 18. As the parliamentary secretary will remember, I asked at that time prior to the Royal Wedding whether or not the Government of Canada would be issuing a stamp commemorating the Royal Wedding. I pointed out some weeks ago that it appears the firstborn of the Prince of Wales will arrive before the answer. Could the parliamentary secretary indicate when we will have the answer, or is this simply a contest between the stork and the post office, with the post office losing?

Mr. Nielsen: Put your money on the stork.

Mr. Smith: Madam Speaker, the answer is soon.

Mr. Beatty: In nine months.

GOVERNMENT ORDERS

[*English*]

CHARITABLE ORGANIZATIONS

MEASURE TO INCORPORATE THE JULES AND PAUL-ÉMILE LÉGER FOUNDATION

Hon. Gerald Regan (Secretary of State) moved that Bill S-23, to incorporate the Jules and Paul-Émile Léger Foundation, be read the second time and referred to the Standing Committee on Communications and Culture.

He said: Madam Speaker, I am happy to introduce for second reading Bill S-23, the purpose of which is to incorporate the Jules and Paul-Émile Léger Foundation. As Madam Speaker will know, this bill was passed by the Senate on July 9, 1981. It was introduced for first reading in the House by my colleague, the Minister of Communications (Mr. Fox), on July 14.

The bill will create a private corporation, a foundation, to act in the many areas of philanthropy which were dear to the hearts of Jules Léger and which continue to be dear to the heart of Cardinal Paul-Émile Léger. One main object of the foundation is to relieve sickness and hunger and to provide assistance to all in need, including orphans, lepers, the aged, the handicapped and the ill-treated. The foundation may carry on its activities throughout Canada and in any jurisdiction outside Canada, to the extent that the laws of such jurisdictions permit.

The incorporation of this foundation by a specific act of Parliament rather than through letters patent under the

The incorporation of this foundation by a specific act of Parliament rather than through letters patent under the Canada Corporations Act is a testament to the important work which the Légers have performed and the desire of the government to recognize that valuable contribution through this bill by setting up a foundation which will bear their names and continue the example of service that has been the hallmark of the Léger family. When I refer to the Léger family, I am thinking not only of Jules and Paul-Émile Léger.

[*Translation*]

I must also mention Gabrielle Léger, whose energy and enthusiasm have been an inspiration to this country and who has helped people in Canada and other countries achieve a better quality of life. The bill is flexible in its humanitarian aims. One of its objectives is to support and establish hospitals, rehabilitation centres, refuges and other similar institutions. Its objective is directly related to the one that consists in providing assistance to the aged and the handicapped. It is felt that thanks to the prestige enjoyed by the Léger family and to its dedication to philanthropic and humanitarian causes, the foundation will be able to elicit recognition and respect, both of which are essential to the success of any charitable endeavour.

[*English*]

In introducing the bill for second reading, I am very strongly of the view that this legislation adds a significant contribution to the good works carried out by the approximately 1,000 charitable foundations which exist in Canada. This element, along with the recognition which it gives to a great Canadian family, motivates me to feel pride in presenting the legislation. I commend it to the House for its support, and I also move that it go through Committee of the Whole and all other stages today.

Some hon. Members: Hear, hear!

[*Translation*]

Mr. Kilgour: Mr. Speaker, may I call it one o'clock and start my speech after lunch?

[*English*]

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

At one o'clock the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

Mr. David Kilgour (Edmonton-Strathcona): Mr. Speaker, on behalf of every member of the Progressive Conservative caucus I speak in favour of the speedy passage today of Bill S-23 from the other place, which would incorporate the Jules and Paul-Émile Léger charitable foundation.

Jules and Paul-Émile Léger Foundation

If there are two Canadian brothers who have given more to their faith, to their neighbours on four continents and to the honour of Canada than these two, Mr. Speaker, I do not know their names.

Let me speak first of our former Governor General. The son of a store-keeping family of St. Anicet, Quebec, he studied at le Collège de Valleyfield, l'Université de Montréal and at the Sorbonne de Paris. After a period as associate editor of Ottawa's own *Le Droit*, he joined our Department of External Affairs in 1940 and became an important part of its most golden age during the post-war period. At various times he was first secretary to our high commission in London; adviser to the Canadian delegation to the general assembly of the United Nations; ambassador to Mexico, France, Italy, Belgium and Luxembourg and to the North Atlantic Council; under-Secretary of State for External Affairs; and, later, under-Secretary of State. In 1973, he was appointed to our highest office, that of Governor General.

The real greatness of this right hon. public servant, however, is perhaps better revealed by his conduct after he suffered such a serious stroke in 1974 that his brother, Cardinal Léger, evidently administered the last rites of the church to him. He recovered, but paralysis had struck both his left side and his speech organs. For three years with the daily help of his beloved and charming wife, Gaby, he forced himself to relearn both of our official languages. His courage and will power was sufficient that in time he could again work full days, visit all ten provinces and the Northwest Territories and provide inspiration for each disabled Canadian, whom individually and as a group he always urged never to despair. His expressed thoughts about Canada and the larger issues in life are profound and timely. Let me, Mr. Speaker, give only four examples.

[*Translation*]

Western civilization:

> But times have already changed; we live now in a different age and its contours are not readily apparent. Western civilization, our civilization, is going around in circles and losing its vigour, as a result of a number of contradictions that have paralyzed its energies. Generations are in conflict because there is no recognition of the other's existence; we are insecure in our affluence; there is abject poverty and enormous wealth; conventional morality has lost its hold, and a desire for primeval purity has taken its place; acts of violence are being committed by those who oppose violence; communications technology is using satellites, while large political entities are going towards increasing regionalization.

[*English*]

On culture:

> In Canada we have the beginnings of a culture, but it is not a complete culture. It takes centuries to shape a culture, centuries spent together.

On citizenship:

> First, I wish to remain a good Canadian. Second, I want to continue to love the province of Quebec from Ottawa. Third, I want to continue to speak French in congenial surroundings. Fourth, I want to receive from you and your colleagues good government. Fifth, I want to pay taxes, moderately.

Jules and Paul-Émile Léger Foundation

[*Translation*]

On the future of Canada, and I quote:

We are now strong enough and sufficiently numerous and sure of ourselves to choose what suits us, to assimilate it and to add our own mark of originality, thus creating a multicultural civilization . . .

It was indeed a national tragedy a year ago when the heart attack that struck him down prevented many Canadians from appreciating the many qualities of our twenty-first governor general. We were all profoundly affected by the loss of this great man. Fortunately, Mr. Speaker, His Eminence Cardinal Paul-Émile Léger is still among us, after spending much of his time and energies with the lepers and handicapped children of Africa.

● (1410)

[*English*]

The cardinal was born in the hamlet of St. Anicet now fully 77 years ago. On Christmas day, 1923, after midnight mass, he resolved to become—

[*Translation*]

—a Sulpician priest.

[*English*]

After that, he said that life was a succession of miracles: first, the Grand Seminary in Montreal and ordination, then four years of seminary teaching in France, and the first opportunity for missionary work in Fukuoka, Japan, in the impossible years from 1933 to 1939. His war years were spent as pastor of the cathedral parish at Valleyfield in Quebec. Thereafter, he was sent to Rome to work closely with His Holiness, Pope Pius XII, in finding food and drugs for the Italian people.

In 1950, at only 46 years of age, he was named Archbishop of Montreal, and only three years later he became the first Montreal ecclesiastic to become a cardinal. Every night at 7 p.m. for the next seventeen years thereafter, he spoke of the faith by radio to the almost two million adherents of his archdiocese. He was a member of the central preparatory commission of the Second Vatican council from 1962 to 1965, and an architect of its important decree on ecumenism. His stature in the church grew so quickly that he was considered to be a future pope. However, in November of 1967 he astonished many people by retiring at 63 years of age to become a simple missionary priest in Africa. He said:

It has become clear to me that the Lord is asking me for deeds as well as words.

[*Translation*]

Four years before, he had founded the movement FAME PEREO (I am dying of hunger), with the aim of collecting funds in order to care for some of the four million lepers in Africa. The Cardinal provided financial assistance to eighty-two leper colonies in twenty African countries. Since 1967, he has been working with lepers and the handicapped in his rehabilitation centre for the handicapped in Cameroon.

[*English*]

The following are but three examples of his expressed thoughts. To Canadian youth: "How will your generation change your lives in order to balance out the millions living in our rich centres of prosperity and the 3 billion dying of disease and hunger?"

On his life's work: "I can only provide the reminder that our prime task in life is to help our neighbour. That is all there is to it, yet it says everything".

[*Translation*]

His faith:

I take what the Lord gives me each day. I do not burden myself with memories, since they often inhibit one's action. My only concern is to practice what the Gospel preaches.

[*English*]

In short, like Mother Theresa of Calcutta, he is a living saint. Let me close, however, with a prophetic remark made by his brother, Jules, in the presence of the Cardinal in his opening address to Sherbrooke University in 1974, literally only hours before his stroke. He said:

A father had two sons. This was our father. To the one, he gave the gift of speech, to the other, that of silence. To each, he gave the reality of God. He assured them that that gift would enable them to make their way in life. The sons went their ways, the one in the service of the church, and the other, of the state.

On this basis, it is with great pleasure that I would call on all hon. members of this House to pass this measure as quickly as we can. Let us do it today.

Mr. Laverne Lewycky (Dauphin): Mr. Speaker, it is a pleasure, on behalf of the New Democratic Party, to speak in support of this bill. I quite often think that the activities of our lives obscure the reasons we are here. Speaking to this bill gives us an opportunity to reflect on some of the larger perspectives of life. I am reminded of the story of the passerby of a construction site. He asked three men there what they were doing. One said that he was merely a bricklayer and was laying some bricks; another said he was earning $30 an hour; and the third one said that he was building a cathedral. So it is that if we have larger visions of life, we can motivate and inspire other people. This bill reminds me of that type of vision.

One of my favourite questions when talking with people as I travel to my constituency every week on the plane, or even when talking with some of my colleagues, is this: Can you tell me who you are without giving a job description? We find ourselves so immersed in our activities that we fail to take a look at what our lives have done for others. In life, I think we probably fall into two categories. We can either be builders or wreckers. We can build into the lives of others with our words, deeds, actions and ideas, or we can wreck.

The bill we are discussing today honours two builders. It commemorates two Canadian heroes: the former Governor General, Jules Léger, and the cardinal, Paul-Émile Léger. Let us reflect for a moment on these two Canadian builders. First of all, the former Governor General, Jules Léger, was the

twenty-first Governor General of Canada, the fourth Canadian-born Governor General and the second from French Canadian background. He became Governor General in January of 1974 and served that office until 1979 after a lengthy career as a Canadian diplomat.

His work as a Canadian diplomat on our behalf was not easy. He had many difficult situations to face. As an ambassador to France in the years 1964 to 1968, he was caught in an awkward situation. Charles de Gaulle had stated in Canada: "Vive le Québec libre!" The remark was made in Montreal. When Jules Léger was departing from France, he did not receive an audience with the President, and he had to face that diplomatic snub.

He had difficulties in other areas of his life which he had to overcome. When he entered into the office of Governor General, his wife made a comment to the effect that they had lived in 25 different homes during the 35-year diplomatic career of the Governor General. When we think of the sacrifices people must make in terms of our country, we should not look lightly at the sacrifice by the former Governor General.

In the International Year of Disabled Persons, 1981, and also the year in which we have had much opportunity to think about people of strength, such as Terry Fox, it is a good opportunity to think of what the former Governor General, Jules Léger, did for us as a country.

As was mentioned earlier, the stroke that he suffered meant that he was partially paralysed and had lost his voice. For 90 minutes every day he had to work at speech therapy. We know that he had to study the dictionary again, from A to Z, and he had to learn to speak all over again.

In 1975, the year after he had suffered his first stroke, he said: "These long months have brought me close to those who suffer." He was a person who could understand the suffering and the hardships faced by those in similar circumstances.

When I think of the right hon. gentleman, I also think of the fact that he understood Canada and Canadians of all backgrounds. His background was a small rural village where his father was a general merchant and also served as the postmaster, the banker and the choirmaster. This indicates to me that he was able to understand people who came from rural constituencies such as my own. However, in addition to that he sought to understand all of Canada. Even as a young person at the age of 20, he was able to go across Canada on a shoestring. With $6 in his pocket, he covered the prairies all the way to the Rocky Mountains. He tried to make the office of Governor General more truly Canadian and, I think successfully. He said that his intention was to scour away the fussy formality of the office and to make it truly Canadian. If one could further Canadianize the office he would really like to do so. In spite of the difficulties he faced and in spite of his stroke, he still pressed on and proceeded with the goals he had set.

● (1420)

He also had a love for children, a love for young Canadians. Léger often met with school children on the grounds of Rideau Hall, and even in the background of his portrait there appear the figures of children. This is an example for us. Our society has perhaps lost an appreciation for children, has lost vision of the fact that truly they are treasures. We forget what we once were. The greatness of a man is often shown in the way he treats little children, and Léger demonstrated that.

The close of his life reflected the life he had lived; the simplicity he requested at his funeral. He died as he had lived. We can remember how he lived. Léger asked for a simple casket for his funeral, like the poor, and that he was given.

What former Governor General Léger did for Canada in the state his brother cardinal, Paul-Émile, did in the Church. The two brothers provide a unique example of how one family can make a substantial contribution to Canadian society and to Canadian life. They had similar backgrounds. The cardinal indicated he had a spiritual heritage his grandmother had passed on to him, that religion for them was not a question of practice but a question of life, a question of living, a heritage which the Cardinal followed in his life. His life philosophy indicates that his faith gave him the strength to cope with the difficulties he faced during his life. In his earlier life he faced a lot of difficulties with his health which forced him to curtail some of his studies, but he was able to say when he was 75:

—what I feel is that in my 75 years, I have never failed in my fidelity. What I am, the gifts given to me by the Lord, were always at the disposition of the Lord, so if I become sick, I will accept my sickness, and it will be the end.

His career spanned four continents, a career in which he demonstrated his life goal and his philosophy. He was able to serve many people throughout his life. In fact, at one time, as was mentioned earlier, he left Canada to serve in Africa. There he worked among lepers. In his work among lepers he also noticed that there were other people in society who had needs, including children. In fact, at one time he said it is the handicapped children who are vulnerable in any situation. This ministry to handicapped children expanded and certainly set an example for many people. Here is a man who had a vision; here is a man who had a mission; and here is a man who communicated this vision, this mission, to us in today's society.

He has left for us a very challenging question. He did so when he asked during an interview:

How will your generation change your lives in order to balance out the millions living in our rich centres of prosperity and the three billion dying of disease and hunger?

He left for us an extremely challenging question that I think demands a response. It was not a question asked rhetorically, it was a question asked because here is a man who had practised what he preached.

I think Bill S-23 is a memorial and an honour to two people who well deserve it. The objectives of the bill merit our support. One of the things I say to myself quite often is something a chaplain to the U.S. Senate once stated: "Treat everyone you meet as though their heart was breaking—maybe it is." We never know between what we see and the inside of a person's heart or soul what they may be going through. I think this bill attempts to go beyond the many things we may just ordinarily observe in life to look at some of the people who need our concern and our support. Quite often we are insulated

from those who are poor. Quite often we are insulated from those who may be suffering because we have not experienced the type of situation they experience.

Last night as I was going outside the House following the vote one of our friends in the House here, a Member of Parliament, was having difficulty collapsing a wheelchair for another one of our colleagues here who has been hurt. I assisted in collapsing this wheelchair because I had done this for more than three years of my life when working with the Society of Crippled Children and Adults. As I was reflecting on that incident when leaving the House I thought this was a very simple task and I was glad that member had that opportunity, it seemed to me for the first time in his life, of collapsing a wheelchair for another person. I said to myself: This type of awareness is something we need because if we are aware of someone who is going through suffering, someone who is very close to us, we become more responsive to those who have needs.

I hope this foundation in the years ahead will make us more aware of those who have needs, be they handicapped or, as the objects of the bill state, those who might be sick, hungry or ill-treated. As I think of the perspective that is offered here I have hope for this foundation, and in closing I would just like to share at least one of my hopes.

At lunchtime I was discussing this particular bill with one of my colleagues, the hon. member for Vancouver East (Mrs. Mitchell). We were thinking of some of the implications this bill might have. We thought how nice, how good and how useful it would be if one of the implications of this bill would be to meet some of the needs of our native children. The Légers had a concern for children and for those who are needy. The plight of our native children is a national disgrace. Native children grow up on reserves that lack basic sanitation. They have no amenities. Even in my own constituency, where I have seven Indian reserves, in this year, 1981, they do not have water and sewer in any of their homes. When we think about the overcrowded and inadequate housing they face, the chronic unemployment and education which lacks native cultural content with few native teachers, when we think of the high incidence of health problems, alcoholism and suicide, we realize this is symptomatic of frustration and despair.

I cannot help but reflect, and hope as we support this bill, that there will be things coming from this foundation, which has very broad objectives and deals with very large areas, to benefit these people. I cannot help but think and hope that there will be an opportunity for addressing some of the concerns we have for those who have needs even here in Canada.

We may often ask ourselves why we need another organization. I always think of that little label I often give to people who I think go that extra mile. I call those people gimpers; someone who is prepared to go the extra mile, to do that little bit extra to provide for the needs they see in a given situation. I hope and trust that this foundation, because of the people that it honours and its objectives which have been set forth, will be the gimper that we need to help our society meet some of the needs that exist.

• (1430)

Some hon. Members: Hear, hear!

The Acting Speaker (Mr. Ethier): Order, please. Before putting the question I would say there seems to be some agreement among the three parties. It was mentioned by the hon. member that this legislation could go through all stages today. This can be done with the unanimous consent of the House. Is that agreed?

Some hon. Members: Agreed.

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

* * *

NATIONAL ENERGY BOARD ACT

MEASURE TO AMEND

Hon. Jean-Luc Pepin (for Mr. Lalonde) moved the second reading of and concurrence in amendments made by the Senate to Bill C-60, to amend the National Energy Board Act.

Mr. Roy MacLaren (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, I rise to speak very briefly on Bill C-60, but before doing so I should like to take one moment to add a personal tribute to Mr. Jules Léger. I had the honour to serve with him in the Department of External Affairs for a number of years and would not want this occasion to pass without my noting his extraordinary achievements and contribution to Canada.

Turning to Bill C-60, to amend the National Energy Board Act, I would like briefly to describe the amendments and indicate the reasons for them.

Two of the amendments are relatively minor. The change to Clause 2 on page 4 of the bill deletes the words "of acquiring lands and" from the subsection which sets out the terms of reference for the National Energy Board in approving the detailed routes of a pipeline. This change has been made in order to make it clear that there is no restriction on a pipeline company to enter into voluntary agreements with land owners between the time that a notice is served on the owner under Section 75 of the act and the time that the detailed route is approved by the board. Since it was never intended that there should be any restriction on such agreements, this change represents an improvement in the drafting.

A change to Clause 5 on page 6 will alter one of the mandatory terms that must be included in a land acquisition agreement or an arbitration award made between a pipeline company and land owner. The indemnification which the company must provide to the land owner from claims by third parties arising from the operation of the pipeline will not be lost if the damage results from an act of momentary carelessness on the part of the land owner. The amendment will provide that the protection can be lost only through some act

of gross negligence by the land owner. Evidence before the Senate committee indicated that this wording is now virtually standard in land acquisition agreements made by pipeline companies.

The change to Clause 5 on page 6 should be read together with the two changes to Clause 5 on page 12 of the bill. Together, these amendments will improve the flexibility available to a land owner in selecting lump sum or periodic payments for his or her compensation. As the bill was formerly worded, a land owner would have been forced to make one choice covering all of the compensation he or she would receive regardless of whether some of the types of damage would lend themselves better to the other manner of compensation. Further, the bill originally provided for a review of the amount of periodic payments only to a land owner whose land was being taken and not to neighbouring land owners whose lands were adversely affected. Both types of land owners will now be able to select a lump sum or periodic payments with respect to any part of their compensation and there will be a review of periodic payments in all cases.

During the debate in this House on the second reading of Bill C-60, two questions as to the interpretation of the bill were raised by the hon. member for Red Deer (Mr. Towers). It will be noted that the amendment to Clause 5 of the bill deals with one of those points, namely, the definition of market value contained in the proposed Subsection 75.19(2) of the act. That amendment will make it quite clear that at the time of each five-year review of periodic payments on the acquisition of land, changes in market value that have occurred since the original agreement or since the last review are to be taken into account in setting the new level of compensation.

The second point raised by the hon. member for Red Deer related to the wording of the proposed Subsection 73(1) of the act. This subsection restricts the jurisdiction of an arbitration committee to claims that arise directly out of the construction of a pipeline or the presence of a pipeline on the land. The hon. member questioned whether this subsection was worded too narrowly in that the phrase "operations of the company", which appears in other sections of the act dealing with the terms of reference of an arbitration committee, such as Subsections 75.1(1) and 75.12.(1), does not appear in Subsection 73(1).

There is a reason for this difference. The phrase "operations of the company" is a very broad one. Claims arising out of such operations could include many types that are beyond the ability of an arbitration committee, which is composed of experts in land evaluation, to decide and which can only be tried by the courts. An example of these might be claims arising out of torts such as highway traffic accidents, defamation or claims for breach of contract other than a contract for compensation for damages to land or even for claims arising out of financial or stock market operations of the company.

● (1440)

It is for this reason that the wording of Clause 73(1) confines an arbitration committee to claims that arise in relation to a particular pipeline, including leakage of the contents of the line, the activities of the company in building and operating the line and any interference with the use of the land caused by the presence of the pipeline. I am confident that no dispute which should properly be decided by the arbitration committee will be excluded from its jurisdiction.

In conclusion, I urge the House to support the amendments made by the Senate, since each is a clear improvement to the bill. We owe it to those who will be affected by pipeline construction that is now in the planning stages to implement these valuable suggestions.

Mr. Harvie Andre (Calgary Centre): Mr. Speaker, on behalf of my party I am pleased to indicate our agreement to these proposed amendments and to co-operate in any further considerations which might allow us to deal with these amendments and the passage of this bill expeditiously.

However, I cannot let this opportunity pass without pointing out what I consider to be some inconsistent behaviour, to put it in the kindest way. Just the other day we were forced to end debate on a profoundly important bill, Bill C-48, by closure. I think that bill will be back before this House for serious amendment in the not too distant future. We have been told that what is wrong with the operation of the House of Commons is an irresponsible opposition which takes too long to discuss things and that the government cannot deal with its legislative program expeditiously enough. I just want to point out that Bill C-60, which the Senate has sent back to us with some amendments, was passed in this House expeditiously on a Friday afternoon. That was on March 6, 1981, nine months ago. The government brought it to us and said it was needed quickly so that various pipeline projects could be put into effect and farmers, ranchers and land owners would be able to take advantage of these superior and much improved methods of handling the transfer of land rights to the pipeline companies. We dealt with the bill expeditiously, and we can now see how factual representations the government made to us were. On March 6 it was absolutely vital that we get through it quickly. We co-operated. We thought hon. members opposite were telling the truth. We think the bill is an improvement. Nine months later the government brings these amendments forward.

Mr. Smith: That is the period of gestation.

Mr. Andre: The Parliamentary Secretary to the President of the Privy Council (Mr. Smith) says nine months is the period of gestation. The mother must be disappointed!

When other accusations are made and when hon. members opposite say that the reason there is delay in this House is an unco-operative opposition, I hope and trust people will recognize that more frequently than not the delay is the result of an incompetent government.

However, we certainly agree to the quick passage this afternoon of this second version of the bill.

Mr. Sid Parker (Kootenay East-Revelstoke): Mr. Speaker, I also wish to speak about the amendments to Bill C-60, and I do so on behalf of the New Democratic Party. I want to express my appreciation to the hon. member for Vancouver-Kingsway (Mr. Waddell), our energy critic, who has given me this opportunity to speak about these amendments.

I want to reiterate some of the things brought forward by the hon. member for Calgary Centre (Mr. Andre). We dealt with this bill nine months ago, and during those nine months the residents of the Yahk area have experienced disruption. Over the past nine months the people of Yahk have been the actual builders of Bill C-60. The RCMP went out in riot gear to expropriate land. The lands of four residents were expropriated, but during that time the Northern Pipeline Agency mysteriously came in and resolved the situation for those four land owners. The agency made a commitment which satisfied those four residents.

Let me talk about the rest of the community. There was a will to try to co-operate, even though the people saw what was going to happen to them. In October of 1980 the people affected were given small pittances of remuneration. They were promised that if settlements were made in another area, they would be treated equally.

I visited the home of one of these residents the other day. I was accompanied by a representative of the Northern Pipeline Agency and a representative from Foothills Pipe Lines. I asked those two representatives to look out the window and see what that family had to put up with. The pipeline runs within 50 feet of the building. Road access to their home was cut off. From October of 1980 until December 1981 they have suffered the inconvenience of having machinery about. There has been dust and dirt. Their land has been uprooted. In September two inches of top soil were put down and seeds were thrown on to it. The entrance these people had been using to come in and go out had been destroyed to the point where they could not drive on it. I asked those two representatives how they would react if all this happened to their homes and what they would do if they had to leave their cars outside their property and walk through ditches to a home full of dust and dirt. I wonder how they would react if their property were expropriated or their trees were cut down and they were told the value of those trees would be assessed at a later date. These are the kinds of outrageous things that are going on.

Even though these people were allowed to participate in the program, expropriation liens were put on their properties. It has now been agreed that they will be removed.

The pipeline also crossed a creek called Hawkins Creek, a traditional water supply. That has been disrupted, and no one will undertake to help resolve that problem.

There is very little topsoil in the Yahk area, but did Foothills save the topsoil? Did Foothills put it aside, dig gravel and backfill with gravel and then put a little topsoil on top? No, that would be too costly. Foothills dug it up, mixed it up, finished laying the pipe and put all tht material back in, and that was it. Can hon. members imagine what the farmers of that area are thinking? They are told there is no topsoil available for the 150 foot strip through their properties. If there is no topsoil available to the Northern Pipeline Agency, I suppose it is not available to the farmers either. That topsoil was very valuable to the farmers because of fertilizer build up over the years.

I hope the minister will stand by his word. When we were debating this bill at an earlier stage, he said these people would be properly represented, that the provisions of this bill would be retroactive and that the people would be given the opportunity to come back and discuss their problems. The minister said these people would be reimbursed or their land brought up to proper standards. That is the least the people should expect and I think it is only fair. If there is any fairness for the four families whose properties were expropriated and if the minister takes into account the value of the gravel involved, then surely to goodness the value of the topsoil removed and the lawn damage should also be taken into account since this is a matter of great significance to the people affected.

● (1450)

Those are the kinds of hardships that have been created because of the delay of this bill. The government has a responsibility to those who have had to suffer. I would like a commitment from the government that it will bring in this bill when it is finally adopted by the Senate and instruct these people to come into the area and hold hearings. Hopefully people will be treated in the proper way provided in the bill. A commitment was given that they would have that opportunity and that the rest of Canada would enjoy the provisions of this bill.

The Conservative Party talks about the freedom to own land. I did not see any Conservative member stand up and try and protect the rights of those individuals which are being infringed upon. Where were the Conservatives at that time? Was it because it was the Foothills Pipe Lines that was involved? Could that have been why we did not hear from the Conservative Party in an attempt to protect the rights of these individuals? I certainly congratulate my party, the NDP, for standing up and being counted and saying that there has been a violation.

Some hon. Members: Hear, hear!

Mr. Baker (Nepean-Carleton): Don't break your arm.

Mr. Regan: That's a new twist in politics.

Mr. Parker: While I am at it, I want to criticize the province of British Columbia for allowing an agency to come through that beautiful province, carry out the kinds of programs they have, and doing what they did to our people who live in B.C. for the benefit of exporting natural gas to the Americans. We fought that pipeline and I will carry on the fight for these individuals within the riding of Kootenay East-Revelstoke.

Mr. Gordon Taylor (Bow River): Mr. Speaker, I will not delay the House very long. The hon. member for Calgary Centre (Mr. Andre) did not take long when he was speaking.

When this pipeline becomes a reality, quite a bit of mileage of it will pass through the constituency of Bow River. There has been considerable concern on the part of many people there and I want to voice one or two of those concerns.

There is one part of this bill that I like very much. If the company does not make a proper award, it goes to arbitration and if the arbitration board rules that it exceeds 85 per cent of the amount offered, all legal fees must be paid by the company. That is proper.

In the Alberta department of highways we worked on the principle that it was a house for a house. When land was disrupted, it had to be left in at least as good a condition as it was found. I have seen rocks, gumbo, black loam, bottles and debris ploughed into the land. There has been no concern for the land owner at all. I hope there will not be a repeat of that type of situation when the pipeline goes through. It is a matter of taking this to the company.

When we had a situation like that, I asked the company man to take a look at it. It was corrected immediately to the satisfaction of the land owner. It is not right when people take advantage of a land owner, thinking that he is only a farmer, that he has no friends and cannot go to court so we will plough our way through, ruin his land and give him the very least possible. I hope that will not be the attitude of those building this pipeline. It is not the attitude of the Alberta government when taking land for highways or other purposes.

One member said that it is a case of stockpiling black dirt. It is an extra expense, but it is an expense charged to that work. It is a bother, a nuisance and a rip-off of black soil, but black soil is a wonderful thing. It is that six inches that feeds the world. We cannot afford to lose that two, three or six inches of black dirt, wherever it happens to be. The Alberta department of highways has an insistent clause: The construction company must stockpile that black dirt. After the work has been done, the soil must be put back.

An experiment was carried out in Alberta. After one year the land did not look that great, but after three years of proper work it was back to the same condition it was before it was disrupted. The crops now grow just as well as previously. We cannot afford the loss of good farmland in this country. There is too little of it now. Farmers should not be expected to bear the brunt of the cost of a large project such as this pipeline. It should be paid for by all the people of this country and the United States, not by just the land owners. When a pipeline is built across a farmer's land, whether it is an acre, quarter section, section or several sections, he should be compensated for the amount of grain he would have grown on that land for many years into the future. That is not asking too much. That is simply being fair to our farmers.

I hope that those who construct the pipeline will be fair to the farmers and not only to those who put up the capital. Farmers are generally reasonable people. I have had some difficult situations to deal with but never once was I not able to go to the farm, stand on the land affected and make a settlement. No matter how irate the farmer is, he is still reasonable.

All the farmer wants is that the land be put back the way it was before so that he can continue to produce food for the world and support his family. This is a wonderful opportunity for the companies involved to show they have some human interest by ensuring that when they disrupt a farm, they will put the land back in at least as good a condition as it was before they appeared on the scene.

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

Some hon. Members: Question.

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

Some hon. Members: Agreed.

Motion agreed to, amendments read the second time and concurred in.

* * *

MEAT IMPORT ACT

MEASURE TO REGULATE IMPORTATION OF MEAT

Mr. Deputy Speaker: Before proceeding to report stage of Bill C-46, the Chair has reservations concerning amendments standing in the name of the hon. member for Moose Jaw (Mr. Neil). Has the hon. member any representations to make at this time concerning those amendments?

Hon. Erik Nielsen (Yukon): Mr. Speaker, the chair might give an indication of the reservations it has about the amendments in order that we might better meet the point and argue it.

Mr. Deputy Speaker: There are two amendments to the bill. They seek to amend the definiton of meat by including not only beef and veal, which are in the bill, but lamb. As such, the amendments appear to be substantive. They go beyond what is permitted by way of amendment.

Mr. Doug Neil (Moose Jaw): Mr. Speaker, I appreciate what you have said, but this is a meat import act. Certainly lamb is meat. I cannot understand how there is any difficulty with this amendment, which seeks to include another meat in a meat import act. That is all I can say. I am completely at a loss to understand why there is any question about including meat in a meat import act.

Mr. Nielsen: Mr. Speaker, perhaps it might assist the Chair in any difficulty, after the cogent argument put by the hon. member for Moose Jaw (Mr. Neil), if I say it is the intention of those in the opposition to let the amendment go on division.

Meat Import Act

● (1500)

Mr. Deputy Speaker: The Chair invites observations from hon. members on the government side of the House.

Hon. E. F. Whelan (Minister of Agriculture): My observations will be very quick and short, Mr. Speaker. The hon. member and I have discussed this fully in committee. There are several reasons we do not think we should accept the amendment, but one of the basic reasons is an agreement that we had made between New Zealand and Canadian producers. They have come to an agreement whereby no fresh lamb would be imported into Canada for one year until they can work out a proper trading arrangement. We think it would be a breaking of faith—

Mr. Deputy Speaker: May I point out, with respect to the hon. Minister of Agriculture (Mr. Whelan), that the Chair is inviting procedural arguments as to the admissibility of the amendments at this stage. Does the hon. member for Nepean-Carleton (Mr. Baker) rise on this matter?

Hon. Walter Baker (Nepean-Carleton): Mr. Speaker, I have read the definition. What we are talking about in that bill is really an additional kind of meat. It is within the ambit of the bill in that the bill intends, or at least tries, to define what is meat.

We talked about beef just a moment ago. What the Chair is really saying is that ground beef would be admissible, but lamb is not because it is not beef, or whatever else is in that definition. I would like to find anyone in the Department of Agriculture who would define meat as beef or not define lamb as meat. Even on Friday afternoon, I think lamb is still meat.

Mr. Charles Mayer (Portage-Marquette): Mr. Speaker, I think the Minister of Agriculture would agree that the intent of the bill is to regulate what is commonly referred to as red meat, and that includes not only beef but it includes pork, mutton and lamb. So it is in terms of—

Mr. Deputy Speaker: With all due respect to the hon. member, the Chair has to be guided by the procedures of the House.

Clause 2 reads as follows:

In this Act,

"meat" means fresh, chilled and frozen beef and veal;—

That is carefully defined in the clause.

There are two amendments offered in the name of the hon. member for Moose Jaw (Mr. Neil). In the opinion of the Chair, they introduce a new definition to Clause 2 which is an amendment of a substantive nature to the interpretation clause.

On this point, Beauchesne's fifth edition, paragraph (10) of Citation 773 states as follows:

A substantive amendment may not be introduced by way of a modification to the interpretation clause of a bill.

For this reason, the opinion of the Chair is that Motion No. 1 is not acceptable.

The principle of the bill, as enunciated in the long title and in the Royal Recommendation concerns meat which is explicitly defined in Clause 2 as "beef and veal".

Motion No. 2 and, for that matter, Motion No. 1 are concerned principally with the insertion of a new element, namely lamb into the bill.

For the benefit of the hon. member, I also refer him to Beauchesne's fifth edition, paragraph (1) of Citation 773. Consequently, because Motion No. 2 extends the purposes of the bill beyond its scope, the Chair must rule it out of order.

Mr. Doug Neil (Moose Jaw): I should like to make one additional point. I appreciate the fact the Chair has given its ruling, but if we were to read the beginning of the bill, we would find it reads, "An act to regulate the importation into Canada of fresh, chilled and frozen meat and to amend the Export and Import Permits Act". If the Chair's ruling holds, it means that at no time in the future can the government introduce any amendment to this bill to include anything other than beef. I invite the Chair to read the first clause containing the word "meat". As far as I and the people of Canada are concerned, the word "meat" includes something more than beef. It includes lamb, mutton goat and any other kind of meat.

Mr. Deputy Speaker: The Chair has made a ruling. It is the interpretation of the Chair, after very careful consideration of the precedents, that this would be a substantive amendment, and as such is now ruled not acceptable.

Mr. Whelan: Mr. Speaker, I am sure that all members of the—

Mr. Deputy Speaker: Order, please. I believe the bill has to be moved.

The House proceeded to the consideration of Bill C-46 to regulate the importation into Canada of fresh, chilled and frozen meat and to amend the Export and Import Permits Act, as reported (with amendments) from the Standing Committee on Agriculture.

Mr. Deputy Speaker: Is it the pleasure of the House to adopt the motion? When shall the bill be read a third time?

Mr. Nielsen: The minister had risen to be recognized. He was waiting to be recognized, and after he has been recognized there are speakers both in this party and in the party to my left who would like to participate on second reading.

Mr. Deputy Speaker: The hon. member is perfectly right in calling the attention of the Chair to the need for careful observance of procedure. This was report stage of the bill. I now invite third reading, which is debatable, and in which case all the hon. members may be recognized. The Chair should have asked for concurrence of report stage and then invited third reading, which is what I am hoping to do now, with the consent of hon. members.

Mr. Whelan moved that the bill be concurred in.

Motion agreed to.

Mr. Whelan moved that the bill be read the third time and do pass.

He said: I want to say, Mr. Speaker, that I should make a comment about many things concerning meat production in Canada. I will be as brief as I possibly can. I will probably not cover all aspects of the subject, which many of the members would like me to put on the record today, because of lack of time.

I am sure that all members of the meat industry, as well as Canadian consumers, will be pleased to see this bill finally enacted into law. I am sure the hon. member for Moose Jaw (Mr. Neil) would say that if he had included that other group in it, they would also be pleased.

The proposal for a meat import law was widely discussed before the act was drafted. There was a lively debate at second reading and the bill was thoroughly debated in committee. Also in committee, provisions were made for the interested parties to present their views, and many organizations took advantage of that opportunity.

I think I can safely say, Mr. Speaker, that this bill represents the best thinking on the subject by all parties concerned. I believe it will help a great deal to assist the beef industry and to provide consumers with the assurance that adequate supplies of red meat will always be available at reasonable prices.

Canada is the only major beef importing country in the world that has not had an ongoing beef import policy. Without such a policy, we were vulnerable to market distortions and international price swings which are beyond our control. The ad hoc import quotas, which we have been applying on a periodic basis, have led to uncertainties, both for our trading partners and for the Canadian beef industry. With this act we now have permanent controls in place.

Canada is both an importer and an exporter of beef. About 90 per cent of imports are from New Zealand and Australia and are primarily for manufacturing or the lower end of the hotel, the restaurant and the institutional trade. The other 10 per cent comes from the United States and is primarily high quality cuts for the deluxe hotel and restaurant trade.

In 1980 Canada imported 115 million pounds of beef and veal and exported 100 million pounds. In terms of export, the United States of America is by far our most important customer, buying nearly 92 million pounds.

Bill C-46 roughly parallels the U.S. Meat Import Law, including the counter-cyclical formula which allows for lower import quotas when domestic production is high, and higher import quotas when Canadian production is low. This will allow Canada to remain an integral part of the North American livestock economy.

I want to comment briefly, Mr. Speaker, on the amendment proposed by the hon. member for Moose Jaw to have lamb included under the provisions of the act. This matter was discussed in committee and the answers were given at that time. Just last month we reached an agreement with New Zealand to suspend all shipments of chilled lamb carcasses for the next 12 months. This should give the Canadian industry time to study the situation, and we always have access to the safeguard provisions of the Export and Import Permits Act which can be used in an ad hoc fashion in the event of any disruptions in the importation of this product that can be disruptive to our domestically-produced products market. We must increase lamb production in Canada. Although the sheep industry in Canada is expanding at a significant rate, Canada still relies on imports for 80 per cent of its lamb consumption. I believe the market for Canadian lamb could be considerably strengthened and expanded through improved marketing mechanisms and market development activity.

• (1510)

I might also add that if we were to try to include lamb in the act now, it would mean working out a formula to guide import levels, and that would further delay the bill.

Mr. Neil: It would not delay the bill one bit, and the minister knows it.

Mr. Whelan: The hon. member for Moose Jaw (Mr. Neil) did not include in his amendment any criteria for import levels. The proposal of the hon. member would provide for a control to be placed on imports of lamb, but he failed to mention any criteria which could be used to establish import levels. In other words, no formula was proposed to establish import levels because the circumstances and criteria under which lamb imports are to be controlled were not spelled out. The producers and consumers were not given any assurance regarding the predictability of lamb imports. Even New Zealanders cannot promise that under present world market conditions and considering the demand for their product.

In the past, the beef industry has had little opportunity to comment on annual beef import levels before they were put in place. As I said, the industry has been awaiting this legislation for a long time. Under the meat import act there will be an advisory committee that can examine the relevant information and advise the minister before he makes a decision on the import level for the coming year. The advisory committee will consist of representatives of a cross-section of the beef marketing chain, from producer to consumer. I expect that I will be inviting members of the Canadian Cattlemen's Association, the Canadian Association of Consumers and the Canadian Meat Council, among others, to serve on the committee.

This legislation, which clearly spells out the criteria under which beef imports will be controlled, should provide cattle producers with greater confidence. At the same time, consumers will have access to world supplies of beef at times when Canadian supplies are not sufficient to serve the market. Over time, the act will help to stabilize both supplies and prices.

As I said before, the act will not answer all the questions of Canadian beef producers. One of the main concerns in the many letters I have received is that they want control of imports of live cattle coming into our market, which can be very disruptive to the supply position in slaughtering opera-

tions in Canada. We saw this happen last year. We predict that it will happen again this year. This act does not have anything to do with live cattle. I make that very clear, but I know most hon. members in the House are aware of this. It is one of the most unpredictable problems which they face, especially when imports from another country can take over as much as 18 per cent of the slaughter market in the country. This is not per day, per week or per month; this is for several months in the year. This does not happen in any other country in the world. For example, in the province of Ontario imported live cattle took over 25 per cent of the slaughter market for over four months. One could imagine what would happen in the United States of America, which is where these cattle come from, if someone took over that high a percentage of its market. I am sure it would not be allowed for very long.

Earlier, I talked in the House about one of the American states passing a law which was a non-tariff barrier. This act will be disruptive in the potato market in the country if it is allowed to continue. If we go through the procedure of GATT hearings and appointing an independent court of review, commission of review or whatever, it will take some time to rectify what has been done by the state of Maine. It is controlling the imports into the United States, which is contrary to the international trade agreement. Before we even started to draft this act before us, hon. members and people who appeared before the committee were well aware of the views of some of our trading partners.

Some hon. Members: Hear, hear!

Mr. Doug Neil (Moose Jaw): Mr. Speaker, I will be very brief in my remarks today in view of Your Honour's ruling. I find it almost incomprehensible that only in the Parliament of Canada is lamb not meat; it is absolutely unbelievable. I listened to the minister's few comments. He said that if we included lamb in the bill, it would require considerable work to draft some of the clauses. He also said that it would cause delays and that there is no formula. The amendment does not require a formula. The amendment which I put forward provided for the very thing which the minister arranged earlier this year when he issued a news release indicating that the agreement between the New Zealand Meat Producers Board and the Canada Sheep Council was a voluntary agreement to restrict and suspend until Easter 1982 the shipment of lamb into the country.

I do not believe that the minister is really interested in the welfare of Canadian farmers. The Canada Sheep Council appeared before the committee. It made representations to him. It told him what was the problem, but he turned a deaf ear. I am absolutely shocked that the minister is not prepared to include lamb and to protect the lamb producers of the country. It is an infant industry. These people are trying to build up a sheep and lamb-raising industry. They have had many problems over the years. They were at their peak in 1940, and by 1978 they were getting well into the business. During the last three years the sheep industry in Canada increased by 30 per cent. Then they ran into difficulties because New Zealand was importing fresh chilled lamb into Canada at a time when the market was at its peak. It depressed the market, and lamb producers were selling lamb at less than the cost of production. We had an opportunity to help this new industry, but it did not happen.

I will not say anymore, but I suggest that if the industry has difficulties, it is no one's fault but the Minister of Agriculture (Mr. Whelan) and the government he represents.

Mr. Bert Hargrave (Medicine Hat): Mr. Speaker, I rise to make a short intervention on third reading of Bill C-46, but before doing so I want to make a brief comment about the subject of lamb and sheep imports, as well as our Canadian industry. Perhaps it was because there was no meat import bill about 40 years ago that the lamb and sheep industry in Canada has been in continuous trouble. It was a thriving industry prior to the last war. I was surrounded by four large sheep outfits on my cattle ranch, but their downfall began with the lack of good Scots sheep herders who spent their lifetime herding sheep. When it became difficult to attract them from Scotland, the industry began to have problems. Its real problems began soon after the war because of the importation of much cheaper lamb and mutton from Australia and New Zealand. As a result, in Canada we are still consuming less than two pounds per capita of lamb and mutton per year. This amount is almost negligible, Mr. Speaker. If legislation like this had been in place 40 years ago, perhaps we would still have in Canada a major lamb, sheep and wool industry. However, as the hon. member for Moose Jaw (Mr. Neil) said, it is coming back.

• (1520)

We in the official opposition fully support Bill C-46, Mr. Speaker, and urge final passage of it this afternoon. My remarks and those of my colleagues will be very brief, I can assure you.

First of all, I should like to make some appropriate background comments. Canada's beef cattle industry has recommended and worked hard for beef, or meat import legislation since 1970. My interest in this subject began two years before I became politically involved in 1972, and I might add that my motivation was partly the need for this kind of legislation in 1970.

In 1970 the Canadian Cattlemen's Association first proposed this type of legislation at a meeting with the then minister of agriculture, the Hon. Bud Olson.

If there was ever any doubt about the need for and the propriety of such legislation, that was entirely removed in 1976 when Canada, and especially our domestic beef-cattle industry, was completely overwhelmed with offshore beef imports from Australia and New Zealand. At that time, those offshore beef imports had unrestricted access to Canadian markets and they were coming in at prices well below those of the same products imported to the United States. It was also a time in our cattle production cycle when we were producing an all-time record amount of domestic beef.

The years 1975 and 1976 were truly disastrous for the Canadian cattle industry because of those unrestricted imports coming into our markets on top of our own record high domestic supplies. In many respects, our cattle industry has never fully recovered from that disaster because there is no genuine incentive, to stay in or go back into or start up a beef-cattle operation in Canada. There is no confidence in the political direction of this government in so far as the long-term future of our cattle industry is concerned. It is to be hoped that this new legislation, a first of its kind, will help change that situation.

I would be remiss indeed, if I did not remind the House of the background contribution to this legislation made by this party's beef import consultative committee during the late summer of 1979. I was privileged to be chairman of that committee, and I recall very well the valuable input it received from cattle producers and many related people in the industry.

The legislation before us today contains the essential elements that emerged from that consultative committee over two years ago. Although our standing committee study of the bill was split over the summer recess, it was a good session in committee.

It is appropriate to commend the input to that committee by the Canadian Cattlemen's Association. Their presentation was easily the most in depth and carefully researched to come before it. That is quite understandable, in view of its 11 years of effort and support for this kind of legislation. We should be particularly grateful to the Canadian Cattlemen's Association for the improvements it suggested to the quota formula that is now part of the bill dealing with forward projections of cattle numbers. The association pointed out how difficult that exercise would be, and the bill has been improved.

As I have already indicated, the greatest potential benefit of this legislation will be the restoration of some badly needed confidence in the long-term viability of Canada's beef cattle industry. Furthermore, this new legislation will be visible evidence that the Minister of Agriculture (Mr. Whelan) is sensitive to the situation in the beef-cattle industry and that he does indeed care.

Finally, Mr. Speaker, I have a brief comment about the state of our cattle industry as we approach this year end. Our industry is indeed in a nation-wide crisis in all sectors of cattle and beef production. In some respects it is a crisis even more serious than that of the 1930s—and I will quickly expand on that—because there are now many more farmers, especially cattle producers, who are losing their farms and ranches due to forced sales, to bankruptcies and to bank foreclosures. These and other related problems come about as a result of the difficulties experienced with cash flow, or, more properly, lack of cash flow. At least in the 1930s we survived in many cases without any cash flow by simply living off the land.

The cattle industry is presently undergoing a critical examination and evaluation by three different agencies. First of all there were the public hearings held by the Senate's agriculture committee following its working paper on alternatives to marketing and stabilization for our beef industry. That committee concluded its public hearings last Wednesday in Ottawa, and I was privileged to present some of my personal views there.

The second ongoing event is the questionnaire sent out by the Minister of Agriculture over his signature to 140,000 cattle producers, including 53,000 dairy producers.

Third, there is the minister's two-man investigative committee which, I understand, has completed the physical investigation and is now in the process of preparing a report.

The minister has made it very clear to me that he will not make any public statements indicating what the federal government's program might or might not be in relation to the Canadian cattle crisis until after the three exercises are over and the reports are in. That is understandable and it is fair.

I conclude by urging the minister to use the stabilization legislation that has been on the books in amended form since 1975—and he has used it already on several occasions—in order to bring in a national, harmonized stabilization program for the cattle industry that involves the three sectors that should be involved, that is, the federal government, the governments of the cattle provinces and the cattle producers and feeders on a voluntary basis.

I can only suggest that if they are all approached and brought together, there will be an understanding and a will to do something about the situation in which we find ourselves now in spite of the provincial programs that are becoming a little too numerous. In case there is any misunderstanding, such a national stabilization program would in no way involve a marketing board with or without supply management.

Some hon. Members: Hear, hear!

Mr. Vic Althouse (Humboldt-Lake Centre): Mr. Speaker, I should like to take a few minutes to comment on third reading of Bill C-46, the meat import legislation. This idea has been around since the early 1970s and a great many organizations have favoured some form of import law for meats. I am afraid that a great many of those organizations will be disappointed with this particular development, but it is better than nothing.

• (1530)

For that reason, we will tend to give it some support, with the reservations that I would like to spend a few minutes outlining. It seems to me that what we are doing with the meat import law is generally recognized by most economists who have been dealing with the issue. In effect, we are dealing with a form of supply management. We are attempting, with an import law, to restrict the amount of meat and, in this case, restrict only beef. In the House of Commons, "meat" means only beef and frozen veal. However, it is a recognition that there is a requirement, on occasion, to interfere with the free market system and with the free exchange of goods. In 1976, when imports almost doubled, this was brought to the attention of even the most rabid free enterpriser. We now have fairly wide-ranging support and a minimal attempt at supply management.

In pure, theoretical market or economic terms, the counter-cyclical idea is a strictly philosophical concept which cannot be found in real life. Our beef cycly runs similarly to that of Australia, which runs similarly to that of New Zealand. Any attempt to pretend to implement a counter-cyclical formula will not result in a change in the cycles in those countries. They will not reduce production when our production is at a high point, and they will not produce more beef at times when ours appears to be declining. They will react to the same economic forces on a worldwide basis as those to which we have been reacting, and their overproduction periods will occur at pretty much the same time as our periods of overproduction.

By restricting this meat import bill only to beef and to some classes of veal, the government is telling us in advance what it really thinks of this particular industry. At the beginning of 1981, the government opened the quotas wide open. We had a form of quota which had been in existence for the past decade or so. However, this year, when the cattle cycle was at a point when there probably should have been a quota, the government decided to have no quota at all. As a result, because New Zealand and Australia are at a low point in their production cycles, they did not send us very much meat, but we did receive about one million pounds of European meat into the country. Presumably, these historical imports will become entrenched in practice and will give these countries a foot in the door of our markets, while we find it very difficult to gain entry into their markets.

Meanwhile, back on the farms and ranches of this country, cattle producers are dying a very painful death owing to low prices for beef. This is supposedly the signal to tighten up imports under any counter-cyclical law, but our borders are still wide open. Not only are they wide open, but, as well, during the last round of the GATT negotiations, the New Zealanders were able to gain guaranteed access to this country's markets, which probably overrules the bottom end of the import quota from three to five years out of ten years, depending on whose set of outlook figures one uses. Therefore, the door has been permanently propped open for these imports outside of this law, and the guaranteed minimum access agreements under GATT override this law. Therefore, the law itself will only be in effect from five to seven years out of ten years.

I can say that both parties in opposition did try to improve this bill. We were prepared to support the attempt of the hon. member for Moose Jaw (Mr. Neil) to include lamb and mutton in the law. We had also proposed that under the law we should have a board, which would monitor and take responsibility for bringing imports into this country so that producers in Canada would be assured that imports would not be brought in at prices lower than the domestic price. That is not a new concept. The Canadian Dairy Commission does that with butter and cheese. We thought that it would only be fair if Canadian meat producers had the same kind of protection. Unfortunately, the government refused to pick up that option. Under the rules of the House and of the committee, as Your Honour knows, such substantive amendments were ruled out of order.

We think that, short of a miracle or a concentrated drive on the part of the Government of Canada and the provinces, the meat industry in this country is in for very difficult times at the producer level. We think there is a clear need for a kind of meat marketing policy which will include all of the red meats, poultry and eggs in one commodity board which can make progressive plans which will be of use to all of these sectors in the meat industry, instead of setting up separate agencies on boards so that one is picking at the other's market.

We think that this is the only way to rationalize the meat industry in a manner which will be of use to producers in this country and which will provide consumers with the plentiful supplies of meat and poultry products. We think that this bill goes only a little way toward that objective. We think it is a very small, tiny, baby step toward the kind of meat marketing authority that the producers in this country have been demanding and require. We think its only use is to demonstrate a willingness to consider a feeble attempt at supply management. Because the bill is making that attempt to control supplies of meat which come into the country and therefore control supplies available on the domestic market, we will grant our support to the bill and wish it a speedy passage.

Mr. Charles Mayer (Portage-Marquette): Mr. Speaker, this is an important bill for the Canadian cattle industry. I am very pleased to have an opportunity this afternoon to say a few words in the final stages of third reading of this bill. It is a great relief to many of us that we in this country will finally be getting a meat import law. We went through the meat definitions earlier, and I will refer to that later if I have the time. However, it is a great relief that we will have this piece of legislation.

We on this side support the bill, but we support it with some reservations. I am glad to see the minister is here this afternoon, and I would like to point out to him why we have some reservations concerning the bill.

The hon. member from the NDP who spoke previously said that it is a feeble attempt at supply management. It is very much of a feeble attempt at supply management for two reasons. The hon. member for Medicine Hat (Mr. Hargrave) who spoke earlier has been involved with this bill for over ten years, which is a testimony to the ability of the Minister of Agriculture (Mr. Whelan) to get minimal things through his cabinet so that we can have some protection for the beef industry in this country.

To paraphrase the minister, he said that Canada is the only major beef importing country which does not have some kind of policy which restricts imports into this country. We all know that, and we have been telling him that in this country for the last ten years. It seems ironic, when we do get a bill which will protect imports in this country, that it will be largely symbolic because of the way we were forced to accept the guaranteed minimum access level to which reference was made earlier this afternoon. The meat import law which is in front of us will not

be able to do the kind of job that it could have done had we had better representations on behalf of the Canadian cattle industry at the latest round of the General Agreements on Tariffs and Trade. It seems ironic that at that meeting we were represented by the then Minister of Industry, Trade and Commerce who was from western Canada and who was in the cabinet. If anyone should have known what was involved in the guaranteed minimum access which Canada granted to its trading partners in GATT, it should have been that minister. However, what did happen, to quote some figures very briefly, is that as a result of negotiations at GATT, Canada agreed to accept approximately 10 per cent to 15 per cent more beef on a per capita basis than the Americans accepted. What that means is largely that this bill will be ineffective. It will be even worse than that. Had the bill been in operation for the last two years, the beef import law formula would not have come into effect at all. When we have a situation in which the formula does come into effect, it will mean that Canada will again be accepting more beef on a per capita basis than will the Americans. I give notice to the minister that what will happen then is that live cattle will be displaced out of Canada into the United States, causing problems with regard to our trading relations with the Americans. We experienced this in 1976 when they closed the border, not only to beef but to pork as well.

● (1540)

Mr. Whelan: You should have taken them to GATT.

Mr. Mayer: The minister says we should have taken them to GATT. Why didn't he take them to GATT? He is the Minister of Agriculture responsible for the total industry across the country. If he felt strongly enough about it and could convince his cabinet colleagues that this was the proper thing to do to protect the beef industry which he represents from one end of this great country to the other, he should have taken them to GATT. He would have received total support from the agricultural community. It is easy for him to sit in the House now and say that we should have taken them to GATT, implying that he is a good fellow, but why didn't the minister take them to GATT at the time? We would have been very pleased to see that happen, and the minister would have received tremendous support from the agricultural industry. In that regard, I wish he would think of those things at the time they happen and go to bat then for the Canadian beef industry.

Let me refer to a study done by the Senate Standing Committee on Agriculture. The report was released in October 1977. The first time I ever came to Ottawa was to appear before that committee. At that time, some five years ago, it was universally agreed that a beef import law, or a meat import law patterned largely after what the Americans were doing, would have been beneficial to the beef industry. As the minister pointed out in his remarks on this bill earlier on, we know this bill is not going to be a panacea, something which solves all the problems of the industry, but it is one thing that would have helped a tremendous amount had it been in existence five, six or seven years ago. We could have had a meat import law in effect at that time that contained a formula that would have worked without being subject to the guaranteed minimum access levels. These are the kinds of things that are on this minister's head when it comes to making this meat import law as effective as possible for Canadian beef producers.

I cannot emphasize too strongly how badly the industry was served by a previous Minister of Industry, Trade and Commerce who was a cattleman from Alberta. If anyone should have known what would have been acceptable, workable and helpful to the Canadian beef industry, which is largely located in his province, it was him, yet he was the minister who was responsible for seeing that we agreed to very damaging guaranteed minimum access levels under the agreement that was signed. That points out how important this present Minister of Agriculture has been in terms of influencing his cabinet colleagues in relation to legislation to protect the Canadian agricultural industry in general and, in this case, specifically the beef industry.

Despite all the reservations we have about this measure in terms of its ability to function and do the job intended, we very much support the bill. We have to give credit to the government for accepting two amendments at committee which I think will make the bill much more workable. The main amendment is an amendment that makes better use of the formula mechanism. It gives it a much more responsive base figure for deriving quotas. That is going to be more beneficial to the industry. We have to give the government credit for accepting that amendment, and I mean that in all sincerity. I think everybody would agree that this is a very good amendment.

The other amendment was a minor one in terms of seeing that the advisory committee is sufficiently staffed in the event that one of the members is unable to attend, for whatever reason. That is a good amendment and I think the minister should be pleased that everybody agreed that it should be at the minister's discretion whom he appoints. In that sense we have confidence in the Minister of Agriculture having the discretionary power to appoint people to serve on that committee if somebody is unable to attend for health reasons, personal family reasons, or for whatever other reason.

Our major criticism in terms of this measure is that we did not have it in 1974, 1975 and 1976, as was pointed out by the hon. member for Medicine Hat. At that time the Canadian industry was literally being clobbered by offshore New Zealand and Australia beef. At that time beef that stood on docks in Australia and New Zealand commanded a different price simply because of different destinations. There was a difference at that time of some 25 cents to 30 cents a pound for imported beef originating from the same source but landing in Montreal and New York. That was simply because Canada was the only major importer of beef around the world that did not have some form of import protection.

The general view of the cattle industry at that time was that we did not favour any kind of restrictions. The quickest way to

get rid of the surplus is to let the market absorb it at whatever price it can be absorbed at, getting rid of the surplus, getting it out of the way so we can get back into a profitable price situation.

What did happen at that time was that the European Economic Community totally cut off the importation of any beef. There were boats literally in the middle of the ocean, yet the European Economic Community simply would not allow them to unload their cargoes of beef. This small country of Canada, with something like 20 million people and a per capita consumption that is less than that of the United States, was left as the only country in the world of any significance in terms of imported beef without import restrictions of some kind. We had no choice but to ask for import restrictions.

Perhaps the minister will remember an opportunity I had, along with colleagues from Manitoba at the time, of meeting with him in the middle of winter on a very cold February evening in Winnipeg. We tried to impress upon him our need for some kind of protection against the vast amounts of meats coming in from Australia and New Zealand. The minister did not see fit to do anything about this until almost the end of 1976 after we had suffered through two very bad years as far as imports are concerned. At that time he brought in import restrictions under the Export and Import Permits Act, which he could certainly have done a lot sooner.

There are all kinds of empirical and statistical evidence to suggest that because we were importing low quality cow-beef in vast quantities, the finished beef market here in Canada was depressed. What did happen in terms of being contra-cyclical was that more people sold off more cows than they should have when the price was depressed more than it needed to be because we were bringing in extra supplies of beef from offshore. The whole industry suffered more than it would have had we had some protection such as we are providing today. The industry suffered more than was needed and, consequently, has taken longer to get back on its feet.

The industry is caught now, as are most industries, in a terrible situation as far as the total economy is concerned. People are now saying that the cure-all as far as the cattle industry is concerned is a supply management system allowing the government to regulate the supply of beef through quotas. This has all kinds of implications.

It is wishful thinking on the part of the minister if he thinks he can bring in a supply management system for beef which will help in the short run in the next six months, eight months or a year, which I suggest is the period of time when the industry needs help. First of all it will be a massive job to bring in any kind of program that involves supply management and quotas for the beef industry.

● (1550)

Those of us in western Canada where three-quarters of the beef herd is located could make a very good argument that when the industry suffers, those who suffer the most and soonest are the cow-calf operators. The feed lot industry suffers as well. The whole industry is in trouble. However, in order to stabilize and formulate long-term solutions to the problems in the industry, the situation with the cow-calf operators must be of primary concern.

In addition to the bureaucratic nightmare which could result from a supply management system for beef, the concern of western Canadian producers would be that its borders would be closed to the United States. This would be detrimental to us in western Canada because the United States provides an outlet and safety valve for many of our feeder cattle and cull cows that go south of the border. At the same time we have a situation in which other provinces are providing subsidies to attract the beef industry into their provinces. That is acceptable, but the difficulties presented to us in western Canada as a result of the closing of the American border would be of major significance, and this question needs to be addressed. If the Minister of Agriculture is interested in giving aid to the beef industry in Canada, he should lead the way in trying to establish a uniform stabilization program across the country. It is evident now that virtually every substantial beef producing province is involved in some way in the support of the beef industry. It is very difficult for my province of Manitoba, where there is a relatively small agricultural community and no vast natural resources or a large industrial base, to support a major part of its economy. Alberta is in a very fortunate position, which we all recognize and approve of, but it makes it more difficult for a province like Manitoba to compete because it does not have the resources or the very large industrial bases such as there are in Ontario.

We should be able to receive leadership from the federal government. However, we have not seen any yet. I am sure the Minister of Agriculture will tell us how he approached the provinces in 1977 with a program which he was willing to implement.

Mr. Whelan: We gave them a program.

Mr. Mayer: I do not know what it could have been, because at that time I was involved with the Cattlemen's Association in Manitoba and, to my knowledge, the industry which would have been affected by that program was not consulted in its development.

Mr. Whelan: They all had it for discussion.

Mr. Mayer: The minister says they all had it for discussion. His idea of a discussion is to present a plan which has already been developed and ask the industry if they want to discuss it before it is made official. Discussions should take place before the program is finalized because there are many concerned and capable individuals involved with the cattle industry. If the minister wishes to have a successful program, he should first talk to the industry to get their opinion on what would be best for all concerned.

The government's idea of consultation is to talk about a program a few minutes before its announcement is made to the press.

An hon. Member: When the decision is already made.

Mr. Mayer: That is exactly right, the decision is already made. I cannot see any industry having any faith in a program in which they could not contribute to its formulation.

The minister has talked about a supply management system for beef. I suggest that he knows he would find it impossible to get that accepted by cabinet and Treasury Board. If he were seriously concerned about the beef industry, it would not be beef producers who would give him opposition, it is his own cabinet. He has to convince his government of the financial needs of the industry. I believe the industry realizes the amount of money needed in a commitment from the federal treasury. If the minister could win that concession, we in the cattle industry will support him.

Mr. Whelan: If we run it right, we do not need money.

Mr. Mayer: The minister says that if he runs it right he does not need dollars. The Canadian dairy industry receives a subsidy of over $3 billion a year from the federal government. I believe that the beef industry in Canada is much more important with respect to the money it generates in the Canadian agricultural economy. I do not know what kind of program the minister has in mind, if he thinks he can run it without money. The plan that he referred to the other night—

Mr. Ferguson: Mr. Speaker, on a point of order, I would like to draw to the attention of the hon. member that we have very effective supply management and planned production systems in place in Canada which have not received one red cent since their inception. I do not think they should be grouped together.

Mr. Whelan: Now we have got that straight.

Mr. Mayer: In closing, Mr. Speaker, I would like to say that we in this party are supportive of the principles of this bill. I have tried to point out some of the reservations we have about the effectiveness of the bill as opposed to the protection which could have been provided to the Canadian beef industry if the legislation had been in place five or seven years ago. I understand that there will be a renegotiation of the General Agreement on Tariffs and Trade in 1982, at which time Canada may be able to negotiate a reduced guaranteed minimum access, which could have happened if proper representations were made on behalf of the industry during the last round of negotiations. I would urge the minister to do his utmost—and he will receive much support if he cares to solicit it—to see that we have a better guaranteed minimum access level relative to what the Americans have to enable the formula which we will approve in this bill to have a better chance of functioning. If this can take place, he will receive support from the industry and at the same time be doing a service to it.

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

Some hon. Members: Question.

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

Some hon. Members: Agreed.

Motion agreed to and bill read the third time and passed.

* * *

PEST CONTROL PRODUCTS ACT

MEASURE TO AMEND

Hon. E. F. Whelan (Minister of Agriculture) moved:

That Bill C-45, an act to amend the Pest Control Products Act be read the second time and referred to the Standing Committee on Agriculture.

He said: Mr. Speaker, I will not have too much time, but I want to make sure that all members of the House are well aware of the very important role that pesticides have played and still play in the development of this country. They are used widely and effectively in the forest industry and the agricultural industry. They have made life easier for the home gardener and have saved millions of dollars in the control of insect pests and the removal of weeds along public highways, railways and energy corridors.

At the same time, I am also sure that all members of the House are well aware of the growing public concern that chemical pesticides be used properly and be subject to adequate controls.

It has always been the intent of this government, Mr. Speaker, to ensure that the public is fully protected, and for that reason, the Pest Control Products Act was passed to provide my department with the authority to regulate all pesticide products used in Canada.

The amendments now before the House in Bill C-45 represent a reinforcement of those powers in respect of jurisdiction over other government agencies. The amendments are regarded by all those concerned as necessary to clearly define appropriate powers of the federal government over all pesticide matters in Canada.

Let me say that, for many years, my department and, indeed, provincial government agencies have operated under the broad legislative umbrella of the Pest Control Products Act. All people involved in using pesticide products in Canada have followed the act.

But it has been determined by the courts that, in fact, because of the terms and conditions of the act, there were areas of government that were not specifically tied to the Pest Control Products Act. In other words, they were not obliged to operate within its regulations.

Officials of my department have fully discussed the matter with provincial officials and those of other government agencies, and there is complete agreement that the Pest Control Products Act should apply to all those using pesticide products in Canada.

● (1600)

As a result, the amendments are before the House. In essence, they provide a legal basis for jurisdiction that had, until now, been assumed and accepted.

I would also like to draw hon. member's attention to the continuing efforts of researchers in my department to find alternatives to chemicals in the control of pests. They are having remarkable success, both in the discovery of biological controls and in breeding plants that are free of disease and pest resistant.

We will probably never see the day when chemical pesticides will not be necessary, but by using them judiciously as part of an integrated pest management program, the volume of chemicals can be substantially reduced and effective control of pests maintained.

Mr. Deputy Speaker: It being 4 p.m., the House will now proceed to consideration of private members' business as listed on today's Order Paper, namely, notices of motions, public bills and private bills.

PRIVATE MEMBERS' MOTIONS

[*English*]

NARCOTICS

CANNABIS OFFENCES

Mr. Mel Gass (Malpeque) moved:

That, in the opinion of this House, the government should reconsider its plan announced in the Speech from the Throne to move cannabis offences to the Food and Drugs Act and to remove the possibility of imprisonment for simple possession and should consider the advisability of leaving cannabis offences as they are in the Criminal Code.

He said: Mr. Speaker, I submitted this motion to the House because, as a concerned Canadian and a father of three teenagers, I was extremely distressed when the government proposed to move marijuana related offences from the Narcotic Control Act to the Food and Drugs Act. Such a move would remove the possibility of imprisonment for simple possession, and the act of possessing marijuana would be changed from a crime to a simple misdemeanour. While the act of smoking marijuana would not be entirely legalized, most people would interpret that to be the case. That is a concern of mine, and there would be grave consequences.

Because of my long involvement with young people and my deep and abiding concern for their wellbeing, I feel very strongly about any move toward leniency in the law where marijuana and other such drugs are concerned. There is a developing trend of evidence pointing to the harmful effects of marijuana. Unfortunately, many—and I could go as far as to say most—people are not aware of this new evidence. How many hon. members are aware of the current medical opinion on marijuana? I venture to say there are only a few. The general public and many parliamentarians have been isolated from these developments. Back in 1972 the LeDain commission of inquiry into the non-medical use of drugs concluded:

> The short-term physical effects of cannabis are relatively insignificant on normal persons, and there is as yet no evidence of serious long-term physical effects from use at current levels of consumption in North America.

That was back in 1972. It is indeed unfortunate that many hon. members still refer to the LeDain report as conclusive evidence of the harmlessness of marijuana. Much of what was said in the sixties and early seventies about the harmlessness of marijuana is obsolete and proved untrue. Over the past nine years medical opinion that marijuana "is a harmless substance" or "may be harmfull" has been increasingly altered in favour of the opinion that "marijuana is harmfull". There have been significant changes in the position of the scientific community. Many prominent authorities on the subject who in the sixties and early seventies deemed marijuana harmless are now admitting how wrong they were. I quote Dr. Powelson, who said in 1967:

> Marijuana is harmless. There is no evidence that it does anything except make people feel good. It has never made anyone into a criminal or a narcotics addict. It should be legalized.

That was back in 1967. In 1974 Dr. Powelson admitted:

> Within five years I knew I was totally wrong... Medical research groups, after a generation of neglect, began to attribute long-range ill effects to the use of pot. As a result of these findings and my own, I now believe that marijuana is the most dangerous drug we have to contend with today.

This change of opinion throughout the scientific community came about because it has taken time for scientists to complete studies and draw conclusions on the effects of marijuana. It is important to keep in mind, and most pharmacologists agree, that a drug must be presumed harmful until proved otherwise.

I would like to inform the House of what doctors and scientists are telling us today about the damaging effects of marijuana. Cannabis is not a simple drug. The marijuana plant contains many drugs, some of which affect the mind, others which affect the body. THC is the principal psychoactive factor in cannabis responsible for intoxication, although there are at least fifty identifiable, chemically active substances present. As THC and other cannabinoid substances are highly soluble in fat, they tend to accumulate in the brain and gonads and other fatty tissues, and can be expected to persist in the body for a considerable period of time and to accumulate with repeated exposure. THC is removed slowly from the body, and many months are required to recover from its effects. The marijuana user is under the influence of the drug even between highs.

Scientists confirm that cannabis has a number of short-term effects on the brain. There is also significant evidence that continuation over a period of time can produce organic damage to the tissues of the brain, possibly of a permanent nature. Cannabis preparations get in and directly affect brain functions and produce distinctive and irreversible changes. In studies done in England it was found that chronic marijuana smokers aged 18 to 26 had suffered as much brain atrophy as normally encountered in very elderly people. Severe personality changes, memory loss of recent events, hallucinations, and other mental effects were displayed. It was concluded that "regular use of cannabis produces cerebral atrophy in young

adults." Anything that adversely affects the brain should not be taken lightly.

Recent findings demonstrate that cannabis inhalation has severely damaging effects on human lung tissue. Chronic cannabis smoking can produce a variety of respiratory difficulties in a year or less, as opposed to ten or twenty years of cigarette smoking. Cannabis smoke is far more damaging to lung tissue than tobacco smoke and renders the lungs more susceptible to infection. Cellular changes in the lung tissue caused by marijuana smoking have been described as "precancerous", indicating that long-term inhalation of marijuana smoke may either directly evoke lung cancer or may at least contribute to the development of lung cancer. Dr. Carol Smith of the Uniform Services University of the Health Services Studies has recently released startling evidence which indicates that chronic use of marijuana may cause disruption of the female menstrual cycle to the point of causing infertility. This is the result of THC interfering with the production of essential hormones.

Other studies by Dr. Ethel Sassenrath of the University of California indicate that the marijuana by-product THC in the bodies of pregnant women is the cause of a much higher incidence of stillbirths and spontaneous abortions. Other recent studies have clearly established that male fertility is also upset by the use of the drug. Users often experience a higher than normal incidence of abnormal sperm, which often is accompanied by reduction in sperm produced. This greatly increased the chance of being temporarily sterile.

The brain, reproductive process and the lungs are not the only body organs and functions that marijuana affects. Medical evidence points to damage to the entire cellular process, chromosome and genetic damage and mutation and suppression of the immune system owing to the use of cannabis. It has also been firmly established that tolerance to cannabis develops, providing a psychological basis for the necessity of the heavy chronic smoker to increase dosage, or to use more potent psychoactive drugs. While marijuana is not physically addictive, there develops a more subtle but no less real psychological dependence that is a formidable obstacle to discontinuance of its use.

So although we may believe that occasional smoking of marijuana is harmless in that we will not become addicted, it is very important to remember that cannabis is a habit-forming substance capable of producing dependence of a pyschological nature.

● (1610)

One person who knows better than any of us the effects of marijuana is Dr. Ingrid L. Lantner of the Erinside Clinic in Willoughby, Ohio. She recently wrote that, in her observation as someone who regularly treats users:

> Marijuana is one of the most deteriorating drugs that youth and society has been exposed to!

She explains that few of us or the users recognize the long range consequences. Individuals with symptoms such as fatigue, lack of motivation, depression, paranoia, changed sexual attitudes and forgetfulness do not realize the cause until after they are totally marijuana-free and have regained their original functions. It is becoming clear that easy accessibility of marijuana is rapidly increasing the number of individuals who have difficulty in leading meaningful, happy and healthy lives. Dr. Lantner concludes:

> If we do not do everything possible to prevent its acceptance as a recreational drug, we should stop worrying about the health of our nations in general. Legalization of marijuana will certainly create the impression that this drug is not bad.

I am sure that many hon. members have seen for themselves those who have been smoking up and noted the mindless stupor in which those under the influence seem to exist. Studies have shown that those who smoke marijuana reflect an amotivational syndrome, a massive, chronic passivity, and experience symptoms such as mental confusion, inability to concentrate, diminished attention span, loss of will power, difficulties with concept formation and recent memory, serious loss of motivation, paranoid suspiciouness of others, especially young people of their parents, regression to a more infantile state, distortion of perception and reality, a tendency toward magical thinking, emotional disorders, and I could go on and on. It is quite a list. Is this what we want for our children? I certainly hope not.

As marijuana becomes more common in our society, so does driving under its influence. Millions of people in North America use it and drive every day. Although the scientific community does not know exactly how or to what extent marijuana affects one's driving ability, there is proof that it is dangerous to operate a vehicle while under the influence of marijuana. A Massachusetts study found that 16 per cent of drivers responsible for fatal accidents were stoned on marijuana at the time of the accident. Our unavoidable conclusion must be that doping and driving do not mix.

There is ample evidence that Canadian youth as a collective group are facing unparalleled challenges in the coming decades. We know that any organism is more susceptible to harm when it is growing, and yet efforts to reduce cannabis use by adolescents are minimal and inadequate. Do we want to add to the confusion faced by Canada's young people by changing a law and in the eyes of the young people condoning drug use?

By relaxation of the law, the government is giving the impression that it no longer considers the issue as serious. The interpretation of this by the youth is that marijuana is okay. While the act of smoking marijuana would not be entirely legalized, the vast majority of people would interpret it to be. That is what the problem is. It is a great risk.

If the present trends continue, if adolescent marijuana use increases at its present rate, our society is on its way to acquiring an unmanageable number of emotionally and intellectually handicapped individuals. Regular and daily use of marijuana is not uncommon among the young people of this country. Surveys of high school students have shown rises in direct cannabis experience to the point where by 1979, nearly half the graduates had tried the drug.

A 1978 study by the British Columbia Alcohol and Drug Commission indicated that 47 per cent of 28,000 high school students in Vancouver have used cannabis. Nearly 21 per cent of the students tested indicated cannabis use at least seven or more times in the preceding six months. In Toronto, the most recent survey of the Ontario Addiction Research Foundation found that marijuana had edged out tobacco as the second most popular drug among senior male high school students.

Another 1978 Ontario survey showed that 41 per cent of men between 18 and 20 had smoked marijuana in the previous 12 months. Not a pretty picture, is it? The experience of our American neighbours indicates decriminalization will greatly increase those numbers. There is ample evidence that wherever marijuana has been decriminalized, use and abuse as well as trafficking have drastically increased. Teenage use of marijuana has risen in both Canada and the United States since 1970, but the growth has been higher in those states which have decriminalized marijuana.

In Oregon, the first American state to decriminalize marijuana, a study revealed an increase of 35 per cent in the use in the 18 to 29-year age group from 1974 to 1976. An Oregon police chief suggested why this should not be surprising, in these words:

> Adoption of liberalized marijuana laws provides a societal imprimatur that removes the onus from the user and signifies societal acceptance of the practice.

Decriminalization in the state of Maine has demonstrated the dangers of creating the impression among users and potential users that the drug is harmless. The chairman of the Chiefs of Police Association in that state reported in his own community there was a 40 per cent increase in the number of seizures following decriminalization. Alaska and California also report sharp increases in use and trafficking following changes in the law. Is this what we want for our country? This prospect of increased cannabis use must force us also to face up to evidence that heavy users are likely to go on to the use of even more dangerous drugs. Mr. William Pollin of the National Institute on Drug Abuse through studies has concluded that:

> —a significant causal relationship exists between the use of marijuana and the use of other drugs.

He found a staggering 73 per cent of heavy users went on to use harder drugs. He also found that people who use marijuana had a thousand times greater chance of going on to heavier drugs than people who did not smoke marijuana.

A front page article in last Wednesday's *Globe and Mail* revealed that the use of LSD among Ontario high school students rose 67 per in the last four years. In light of Mr. Pollin's conclusions, this House must recognize that the outbreak of this mind-bending drug is largely the result of the casual acceptance and use of marijuana by our youth. Without a doubt, decriminalization will not just lead to higher marijuana acceptance but will unleash a drug abuse problem more severe than we have ever known.

One argument for decriminalization is that people should not be given a criminal record for simple possession. However, to decriminalize marijuana in order to solve this problem would be a drastic overreaction. Decriminalization is not necessary. Under the Criminal Law Amendment Act of July 15, 1972, it is possible for judges, instead of convicting an accused person, to direct that he or she be discharged absolutely or placed under conditions of probation.

An individual receiving this kind of discharge is not considered to have been convicted of a criminal offence. As well, under the Criminal Records Act anyone convicted of offences concerning cannabis is already eligible for pardon after appropriate periods of good behaviour.

The existence of this legislation allows a judge to use his discretion with a first-time offender. Unfortunately, it is not being consistently applied across the country. In my home province of P.E.I., a first-time offender has a 74 per cent chance of receiving a pardon, while the same offender in Alberta has only a 2.5 per chance of being excused.

Judges who refuse to grant the pardon usually cite the current medical and psychological evidence which I have presented as the reason why they feel bound to impress on young offenders the seriousness of their offence.

The Solicitor General (Mr. Kaplan) has expressed concern that new legislation is needed in part to act as a guideline for judges and to relieve the heavy burden on the courts which marijuana prosecutions impose. I agree with both of these goals but I must impress upon the House that decriminalization is far too high a price for our young people to pay. The Prince Edward Island Citizens' Council on Drug abuse has made an excellent proposal which will solve these problems and in effect decrease the use of marijuana. This alternative to decriminalization will not saddle the naive user with a record, but it will greatly decrease the number of court appearances, without removing legal sanctions against marijuana use. The change will involve an amendment to the Narcotic Control Act which will give those charged for the first time with possession the option of pleading guilty without going to court. They will, in return receive a full pardon, after completing an in-depth educational program dealing with the medical and psychological effects of marijuana use.

● (1620)

I recognize that not all users will respond to this program. Those charged a second time clearly have developed a habit that is already inflicting its damage. The judges must have the continued authority to use the full measures of the present law to impress on the offender the seriousness of the offence.

I believe so strongly in this proposal that I will soon be presenting it in the form of a private member's bill. It will reflect my belief that the majority of our young people are smart enough, when given the facts, to recognize the dangers of marijuana. But first, the government must acknowledge the dangers and then, respond to it in a reasonable manner. Decriminalization is not a responsible act; it will only shift the responsibility for marijuana misuse off to the pushers and the drug dealers.

I believe that reform of marijuana's legal status at this time will prove detrimental to the youth and society of this country, Mr. Speaker and hon. members. Extreme caution should be

taken when contemplating legislative changes which could have far-reaching effects on our society in general and on our youth in particular. We must educate ourselves and our youth to recognize the hazards involved in cannabis use. This should be the priority, and not the moving of cannabis offences from the Narcotic Control Act to the Food and Drugs Act.

Mr. Deputy Speaker: I regret to interrupt the hon. member, but the time allotted to him has expired. However, he may continue with unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Mr. Gass: Thank you, Mr. Speaker and I thank hon. members. I appreciate the extra time that I have been given. I have been working on this for one year and I am finally having my day in the House.

Before Parliament proceeds to pass a bill decriminalizing the possession of marijuana, let us at least understand and discuss the issues. Let us ask ourselves if we have enough facts to justify such a far-reaching move at this time. Let us understand all the issues before the decriminalization of marijuana gets carved in tablets of stone. If the present trend to drug abuse continues, we will soon acquire, as I mentioned earlier, an unmanageable number of emotionally, intellectually and socially handicapped young people who are unable to function effectively, if at all, in an increasingly complex and demanding world.

I should like to quote Doctor George K. Russell. It was from his excellent book entitled "Marijuana Today" that I have gleaned much of the evidence that I have presented to the House today. I do hope it will give hon. members on all sides of the House food for thought in the consideration of this motion. Doctor Russell writes:

> Can the use of marijuana, in any amount, ever be reconciled with the clarity of thought, the personal integrity, and the strength of will, that an individual must have, who would play an active role in helping humanity find the way out of its presently severe and ever-worsening difficulties?

I will conclude my remarks, Mr. Speaker, by saying that, considering the growing volumes of evidence that we have which tells us that marijuana is a harmful drug, if the government is considering decriminalization and it continues to push ahead with its intent to decriminalize, then I say it is wrong. If it were to do any good, Mr. Speaker, I would get down on both my knees in the House and beg and plead with the members opposite to reconsider.

Mr. Ian Waddell (Vancouver-Kingsway): Mr. Speaker, I would like to reply on behalf of the NDP to this motion today. I note that we have been debating agriculture for part of the afternoon. I suppose it is proper that we move from soil to grass. As a matter of fact, hemp—and the Chair will pardon me for that—was part of the agricultural sector of this country for many years before Canada became an industrialized country, for the making of ropes and so on. As a matter of fact, it is true that the government subsidized it for many years. No doubt in this very House of Commons at some point in history they debated subsidization of hemp, much as we did subsidization of meat and lamb this afternoon. No doubt this country is capable of growing a lot of hemp and a lot of marijuana, if it so wanted. I suppose the question is, what do we want to do about this?

I agree with the hon. member for Malpeque (Mr. Gass) that it is a very important issue. I listened very closely to what the hon. member had to say. He spent quite some time on his speech. I was very interested in what the hon. member had to say. However, in noting that he dealt with the medical evidence and the evidence that he cited, I might tell the hon. member that I was a member of the alcohol and drug commission of the Province of British Columbia for a short period, and I also practised criminal law in the courts of British Columbia for about ten years and dealt with a number of cases of drugs of all sorts. The evidence he cited really deals with the crime of chronic use. I agree with the hon. member that chronic use of almost anything would bring one to a mindless stupor. When the member talked about mindless stupors, diminishing values, suspicion of others and emotional disorders, I thought he was talking about question period in the House of Commons. The hon. member is right in a sense that any chronic abuse obviously creates problems. It is the same for alcohol and tobacco. One can see that around us. One does not need to be a scientist to report that.

As a matter of fact, the problem that we have is that the medical evidence on marijuana is only suggestive and not conclusive. I think it stops far short of proving that heavy, regular use of marijuana may produce lung or heart disease, slow down or halt one's sex life, cause long lasting disturbances of behaviour and brain function, or lower one's resistance to infection.

An authoritative statement from the Addiction Research Foundation points out:

> "what is not yet known is the frequency with which these health problems occur among cannabis users, the degree of use needed to produce them, and the percentage of users at risk . . . it is probable that any specific health problem due to cannabis will have a low incidence . . .

A Gallup poll indicated that about 15 per cent of the Canadian population that is between 2.5 and 2.7 million people, have tried marijuana, and that among younger people between the ages of 18 to 24 the figure is over 25 per cent. Not being a scientist but based on common sense, that would indicate to me that if that many people had used marijuana for a period of time, we would in fact have a lot greater incidence of disease and ill-health than we have, if it caused all the things that the hon. member said it caused. It indicates to me that chronic users may have problems, but occasional users may not have those medical problems.

The hon. member spoke about young people. The problem we have with young people is that they believe what I have just said a minute ago. They think we are trying to scare them. They do not think we are being straightforward with them. I do not think we are either.

I agree with the hon. member that we must find ways to have better drug education programs and alcohol education

programs—that is the biggest drug abuse; but we should also have some way of dealing with our law in a just manner. It has been eight long years in the making, but it appears that the federal government is about to change the present law. This fulfils the promise of 1972, although I am not sure. I looked through some clippings and I noticed some of the headlines were "Ottawa to Ease Marijuana Law within Weeks", in quoting the Minister of Justice (Mr. Chrétien) on June 12, 1980. Other clippings in the past eight years have read pretty much the same way.

● (1630)

Mr. Gass: Mr. Speaker, I apologize for interrupting the hon. member for Vancouver-Kingsway (Mr. Waddell). I know it is only common courtesy for an hon. member who speaks on a motion to remain and listen to the comments of other hon. members following him. I should certainly like to listen to everything the hon. member has to say, but I have an airplane to catch. I beg the indulgence of the House if I were to leave.

Mr. Prud'homme: If everyone were as courteous as the hon. member for Malpeque (Mr. Gass), it would be easy.

Mr. Waddell: I agree with the hon. member for Saint-Denis (Mr. Prud'homme) but before the hon. member leaves I want to point out just one matter. The fact is that the motion is wrong; I have checked it out. Despite perhaps what the Library told him, the present law is not in the Criminal Code; it is in the Narcotic Control Act. This is Martin's Criminal Code. I will pass it along to the hon. member so that he can look at it. The government appears to be saying that it should be taken out of the Narcotic Control Act and put into the Food and Drugs Act. It has never been in the Criminal Code, but we can argue about it later.

Mr. Gass: Your point is well taken.

Mr. Waddell: I should like to deal with some of the arguments of the hon. member which are pertinent to the debate. We must ask ourselves whether the state should enforce standards of public taste and common morality. I think that is the first question. It is a difficult one, but I think we decided it in 1968 when the Prime Minister (Mr. Trudeau), the then minister of justice, brought in amendments to the Criminal Code. He talked about the state not having a place in the bedrooms of the nation and so on. It is a debate among criminal lawyers and criminologists. It is Professor Hart on the one side saying that the state has no business; it is to force legality, not morality. It is Sir Patrick Devlin on the other side saying that the state must force morality in order to enforce legality. My view of what has happened in the law in the last 20 years is that the state's business is not to enforce private morality. For example, alcohol is bad but we do not prohibit alcohol; tobacco smoke is bad but we do not prohibit someone from smoking tobacco. Perhaps we do in certain places, but generally we leave it up to a personal choice. Perhaps this is where we should go on the marijuana aspect, providing that it is not hurting other people and that people are not making black market money on it, which, of course, means traffickers.

The second question which we must ask ourselves is whether the classification of cannabis in the Narcotic Control Act is justified. Critics argue that this classification is too strict because cannabis is put in the same legal regime as heroin, cocaine, opium and morphine and it does not have the same properties and same addictive capacities as those drugs. The penalties under the present act are considered too high. For example, seven years' imprisonment maximum for possession, seven years minimum for importing and trafficking, and no discharge or summary conviction for trafficking offences.

Cannabis was added to the Opium and Narcotic Drug Act in 1923, not because of any knowledge of the extent of its use or scientific evidence of harm, but probably on the basis of a book entitled, "The Black Candle" written by a juvenile court judge which included many sensational and irresponsible statements. I appreciate the fact that the hon. member for Malpeque tried to marshal his evidence today with no irresponsible statements, but this has been done too much in the past. There may be arguments that cannabis should not be put in the Narcotic Control Act.

The next question is: How effective is the law right now? We are told that there have been a number of convictions and that they are rising. In 1976, there were 34,000 convictions for simple possession; in 1977, there were approximately 33,000 convictions; in 1978, there were 27,000; in 1979, 27,000. I do not have the figures for 1980, but I suspect they will be substantial. All convictions are registered in criminal records. It is said that there are some 300,000 Canadians who now have criminal records for no other offence than simple possession. One with a drug conviction for possession of even a small amount of marijuana cannot cross the American border. Certainly it has some effect upon these people. In the last year which I cited, 16,970 of those persons convicted were fined; 8,076 were given conditional or absolute discharges; 1,130 were sent to jail, of whom 1,095 were sentenced to less than six months and the remaining convictions resulted in probationary or suspended sentences.

When I was a lawyer in Vancouver I can remember appearing before a judge about five years ago in provincial court. My client had been charged with simple possession. I had been around the courts, I knew the courts. I knew something was wrong; I was about to plead my client guilty, but I let a less experienced lawyer go ahead of me. He pleaded his client guilty. Sure enough, something was bothering the magistrate that day and he gave a 17-year-old young man who had never been in court before, seven days in jail, because he was going to stamp out marijuana. I have heard courts indicate this. For example, I heard the British Columbia Court of Appeal indicate that it would stamp out marijuana in a case which I took before the court. The fact is that they have not stamped it out.

I tend to favour what the hon. member for Malpeque said that there should be more emphasis on educational programs. How effective is the law? The answer to the question is, not very effective. Not only that, it is a discriminatory law.

Tonight there will be parties in Ottawa, Toronto, Montreal, Vancouver and in other big cities. There will be alcohol and

there will be marijuana smoked at those parties. If those people are good citizens in the middle-class and in the upper middle-class, the police will not come to their doors. It will be tolerated by their friends in high places in all walks of life. But who will be arrested tonight? It will be the youth with marijuana in his car. It will be younger people, people who are less able to be protected. It is hypocritical; let us face it, it is a hypocritical law. It comes down hard on a certain segment of our population, but if it came down hard on older or middle-aged people, we would change it pretty quickly. The youth know that the law is harsher on them, they know that they are being discriminated against generally as a group.

The next question is whether cannabis damages health. I personally think drugs damage health, as do alcohol and cigarettes, but the evidence shows that it must be dealt with in chronic proportions. What is the extent of the use of drugs now? I think it is fairly widespread. I cited the Gallup poll earlier. It actually indicated that 46.2 per cent of people between the ages of 18 and 29 have used marijuana. This is a sizeable proportion of our population. By all rights, if we do not change the law and it is illegal, we should seek them out, prosecute them, put them on probation, fine them or put them in jail. This does not make much sense. It seems to me that we are back to the old arguments with respect to alcohol and prohibition.

The final question which should be raised is whether decriminalization will lead to increased use of drugs. It is an important question. It seems to me that the evidence is that the number of cannabis users who progress to harder drugs is only a small proportion of the total number of cannabis users. Moreover, the prohibition against cannabis encourages the progression factor because it requires people to contact traffickers who deal in a variety of drugs. I have defended probably 400 to 500 cases of possession of marijuana. I used to know what happened to some of my clients in later years; I would follow them up. They never progressed to harder drugs. I knew many heroin addicts with whom I dealt. I have talked to them; they came into heroin for various reasons.

In conclusion I want to say that I agree with the hon. member for Malpeque that young people are not stupid. They understand. They know what is going on. They have friends who smoke marijuana and they have friends who abuse marijuana. I agree that when there is abuse at school or at work, disciplinary action must be taken, but I question the effectiveness of the present laws regarding marijuana. It is perhaps a fact that the bad effects of the drug outweigh the good, and the hon. member for Malpeque suggested a number of ways by which we might reduce the problem of drug use.

● (1640)

I think it is plain that minor violations of the law relating to cannabis should no longer carry a criminal stigma or the onerous penalties that currently apply. Nothing less than the minimum concessions proposed by the government should be considered—that is if they are not just idle election promises made to appeal to a certain section of the population, while the government at the same time refuses to deal with the other section of the population that does not like them. If the proposals for these concessions reach this House, I think they should be welcomed, they should be supported and they should be swiftly passed into law.

Make no mistake; this would not make the use of marijuana respectable. As I understand it, it would only deal with a small amount of marijuana and would eliminate criminal records. That seems to me to make sense.

I smiled when the hon. member for Malpeque quoted some authorities on drug abuse among young people. I began a paper I once wrote on international narcotics control with a quote from an official who said, "The trouble today is that young people abuse drugs; they do not respect their elders and they are not the way they used to be." Mr. Speaker, that was said in 1969, so things have not changed much—the older generation still thinks that the younger generation is irresponsible and that it abuses its health and so on.

I think we have to try to approach the question of marijuana rationally, Mr. Speaker, but we have to approach it. We should welcome a bill that would take at least the minimal step of decriminalizing the possession of small amounts of marijuana. To do less would be hypocritical, and I think our young people know that. We should then say to our young people that abuse of the body, of the self or of the mind is wrong, and we should show them that it is wrong. It seems to me that if we did this, we would have more credibility in their eyes.

My predecessor in Vancouver-Kingsway once made a speech about marijuana which was circulated. It was to the effect that marijuana was the devil's drug, and so on. I watched the reaction of the young people closely. They laughed at it, Mr. Speaker. I do not want them to laugh at the suggestion of the hon. member for Malpeque, and in fact I do not think they will because he put his positions forward very solidly—although I disagree with some of them. I think we both seek the same end, that is, that our young people be healthy individuals who can make a good contribution to society. Still, there are some healthy individuals who are good contributors to our society who have also used marijuana. It does not seem to have affected them particularly, and the young people know that. I think we must make a big effort to establish some educational programs in this regard.

Finally, Mr. Speaker, we must decide what we consider to be the morality of the nation from the particular laws of the nation. I think we have already taken that decision and if we have, we should not have any problem in dealing logically with the government's long awaited reform of the laws that relate to cannabis in this country.

Some hon. Members: Hear, hear!

Mr. Ralph Ferguson (Parliamentary Secretary to Minister of State (Small Businesses and Tourism)): Mr. Speaker, I am sorry that the hon. member for Malpeque (Mr. Gass) is not in the House as I should like to commend him on the research he has done into the topic now before the House. I agree with many of the things he said. What is perhaps the other extreme

was evident in some of the remarks of the hon. member for Vancouver-Kingsway (Mr. Waddell) who seemed to lean too far the other way. Perhaps that is typical of members on that side of the House.

As the father of four children, three of whom are now beyond their teen years, I have been very concerned about this subject. As head of the family, I have wondered what I would do if one of my children became involved with drugs. I was always proud of my children's scholastic standing, and of their abilty to participate in team sports. When they were at the age where they could become involved in active sports programs, we left the decision up to them. When they decided to participate, we accompanied them to the games so that in fact they were not participating as individuals but the whole family was participating. Sometimes it meant that we had to quit work in the middle of the afternoon in order to go with them, but we did this to show that we were interested in the development of their skills and physical co-ordination. That gave them the encouragement that is so important to any young person involved in sports, whether it be minor baseball or minor hockey.

Over a period of years it was very interesting to notice how they developed even when they were playing atom hockey in the International Silver Stick competition. A group of small town kids won the North American championship two years in a row. This was not only due to their dedication but to that of their parents and the all-round extra effort and team work involved. These kids were not selected from a group of hockey teams to make up a star team. They belonged to a team that played together and developed the co-ordination and team spirit that enabled them to achieve that level. Whether it was in the softball season or the fastball season when they went on to the Ontario playdowns and championships, that keenness of mind and keenness of reflex that is so important to any championship team was always present.

As these children got older, every once in a while I would notice that one was dropping back, not performing as he should. Pretty soon it would be heard that he was doing something that he should not be doing and the standard of excellence was not maintained at the level of the other children who were not experimenting.

I also witnessed the development of these students in schools over many years. In some cases they could not cope and decided to drop out even though they had been top students in the final years of their elementary school and their families had been proud of the way they excelled in their studies as well as in their athletic accomplisments.

● (1650)

It was a terrible schock to me when, in early 1980, I was invited to an elementary school meeting in my constituency which was called by the parents because it was discovered that quite a number of students in grades six and seven were users of the drug cannabis and that someone was pushing that drug at that level. It was a shocking experience to see what had happened there and how it had wrecked the lives of these young people.

It may be argued by those same young people that alcohol has its ill effects too. However, we must remember that when alcohol is consumed, it is excreted from the body within a matter of hours, whereas cannabis is retained within the system in the fatty tissues of the body. Its effects may turn up several days later in various symptoms usually associated with the judgment and functioning of the mind. I believe that if we looked for examples and statistics, some of which I have heard from those in the medical profession concerning the number of highway traffic accidents which are not related to alcohol but which are related to the use of cannabis or the accumulation of the residue of cannabis in the fatty tissues of the body, we would find them rather shocking.

Certainly, I am not one who believes that this drug should be allowed or made available to young people of our community or to the upper or middle-class, as mentioned by the hon. member for Vancouver-Kingsway. I normally go home to my family every weekend. I do not get to attend these parties in the capital of Canada on a Friday night.

Mr. Waddell: Neither do I.

Mr. Ferguson: I have to go back to my constituents to keep in touch so that I know what is happening in the outside world. However, it would be interesting to know how many convictions there would have been made under the highway traffic act if it could be implicitly proven that many of these accidents were caused by the use of this drug. Even if used several days before, the accumulation of this drug in the body could impair the judgment of a person behind the wheel of an automobile. Certainly, we must admit that although alcohol does not stay in the body for the same extended period of time as the residue of cannabis, alcohol has ill effects if used to excess and can perhaps become just as habit forming. However, I believe that now is not the time to be looking for trends which may open up the accessibility to this drug.

I am somewhat sorry that the hon. member for Malpeque moved his motion in the manner in which he did. I would rather that it had been made very distinctly clear that it should be left under the Narcotics Control Act and, in so doing, ease the level of penalty for a first offence. However, from that time on, it should be made known that if a person is convicted a second time, he can no longer have that criminal record erased, and he cannot go on in society with the profession of his choice. I do not like to think that this might happen to a promising young accountant who must be bonded and cannot have a criminal record. Too many have made a mistake once and have been caught in a situation where they have had to carry criminal records for the rest of their lives. However, they should be given a second chance and some leniency.

It has been nearly ten years since the report of the LeDain Commission. Since that time, we have made tremendous advances as far as plant life is concerned. The yields of wheat have dramatically increased. The yields of other plants such as grains, corn or beans have dramatically increased. In some

cases, the protein levels have increased. However, in the same time period, the potency of this drug has also increased by as much as tenfold over what it was at the time of the LeDain Commission report. Therefore, we cannot just go ahead in a hodgepodge situation without some in-depth study. I suspect it is likely that members of the medical profession who belong to this chamber here, one of whom is sitting across the way from me today, will concur with me when I point out that the effects today are far different from what they were ten years ago. This is what scares me, not only as head of a family, but also as the father of children who, thank God, have not become involved in some of these things but have burned off their excess energy through athletics.

I feel that we must reassess the whole situation concerning any changes in this legislation. I hope that when those changes come, we will bear in mind that a young person should not have to carry the burden of his first mistake for the rest of his life. However, we should let that person know what the consequences will be if caught a second time or caught trafficking. I think this is the only way to go. It should be left under the Narcotics Control Act, but the penalty for that first offence must be re-examined. Then, if no further offences occur after a specified period of time, the criminal record should be erased and that person permitted to take his place in the profession of his choice without that cloud or criminal record hanging over his head.

I feel very strongly about this matter. I hope that other responsible hon. members on all sides of this House of Commons and other parents in this chamber will take a very long look at this situation to ensure that we do not develop a society of young people who grow up under the influence of this drug. It affects not only the living, but also the unborn for years to come.

It is with this thought in mind that I say it is of the utmost importance that the House take a long, hard look at any changes taking place here. If necessary, we should perhaps establish a committee to look into the possibility of holding hearings across this country in a selected number of communities to reassess what has happened. We should find out whether the use has been increased. There should be a thorough check and examination of what has been happening through our medical profession and the autopsies which are performed on many accident victims. It is imperative that somewhere along the line we do much more research and obtain more information than that which became available to us through the LeDain Commission. The commission certainly did the very best it could with the information available at that time; but since that time there have been many additional improvements.

Mr. Deputy Speaker: Order. The hour provided for consideration of private members' business has now expired.

[*Translation*]

It being five o'clock, it is my duty to inform the House that, pursuant to Standing Order 2(1), this House now stands adjourned until Monday, December 14, at two o'clock.

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

HOUSE OF COMMONS

Monday, December 14, 1981

The House met at 2 p.m.

• (1405)

ROUTINE PROCEEDINGS

[*English*]

EXTERNAL AFFAIRS

POLAND—INTERVENTION OF ANY FOREIGN GOVERNMENT VIEWED WITH DISFAVOUR—MOTION UNDER S.O. 43

Mr. Joe Reid (St. Catharines): Madam Speaker, a national emergency exists in the state of Poland following the imposition of martial law and the assumption of all power and control by the Military Council of Salvation in that country. So that the present use of water cannons is not turned into a more lethal weapons use, I move, seconded by the hon. member for Nepean-Carleton (Mr. Baker):

That the intervention of any foreign government in the internal affairs of Poland would be viewed with disfavour by this government.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

ADMINISTRATION OF JUSTICE

REQUEST FOR BOOK OF REMEMBRANCE FOR PEACE OFFICERS WHO LOSE LIVES—MOTION UNDER S.O. 43

Mr. Girve Fretz (Erie): Madam Speaker, I rise to move a resolution which I am sure will receive the unanimous consent of the House. Given that there is no central registry to commemorate those peace officers who have sacrificed their lives in the line of duty, I move, seconded by the hon. member for Yukon (Mr. Nielsen):

That this House request that a Book of Remembrance be initiated to pay homage to those peace officers who have died in the service of their community and that this Book of Remembrance be placed within the Houses of Parliament as an indication of Canada's gratitude and appreciation.

Some hon. Members: Hear, hear!

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

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EXTERNAL AFFAIRS

POLAND—PROVISION OF ECONOMIC ASSISTANCE BY CANADA—MOTION UNDER S.O. 43

Mr. Bob Ogle (Saskatoon East): Madam Speaker, I rise under the provisions of Standing Order 43. The new developments in Poland this past weekend indicate the difficulties of finding long-term solutions in that country. Yesterday, Pope John Paul II asked on behalf of his people that there be no violence. Therefore I move, seconded by the hon. member for Hamilton Mountain (Mr. Deans):

That this House go on record that there be no outside interference, that Poland be allowed to solve its own problems and that the people of Canada will provide economic assistance to the people of Poland consistent with the needs of the Polish people.

Some hon. Members: Hear, hear!

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

POLAND—NON-INTERFERENCE IN INTERNAL AFFAIRS BY OTHER NATIONS—MOTION UNDER S.O. 43

Mr. Jesse P. Flis (Parkdale-High Park): Madam Speaker, I seek the attention of all hon. members of the House on a matter of urgent and pressing necessity. Whereas Canadians are greatly concerned over the recent developments in Poland, and whereas Canadians strongly adhere to the principles of the Helsinki Accord with special references to basic human rights and freedoms, and whereas Canadians support the citizens of Poland in the struggle to acquire those basic freedoms to which they have a right, and whereas Pope John Paul II yesterday asked that solutions be arrived at without violence, I move, seconded by the hon. member for Saskatoon East (Mr. Ogle):

That the House urge all nations of the world to refrain from any political or military actions that may in any way interfere with the internal affairs of Poland and that this House express the wish that Poland's internal difficulties will be solved by peaceful negotiations between the Polish government and the Polish people.

Some hon. Members: Hear, hear!

S.O. 43

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

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ENERGY

NATURAL GAS—EXPANSION OF DISTRIBUTION SYSTEM—MOTION UNDER S.O. 43

Mr. Stan Darling (Parry Sound-Muskoka): Madam Speaker, I rise under the provisions of Standing Order 43. Many natural gas companies throughout the country, including the one in my own riding, are still waiting for the government to announce the date in 1982 when funds under the National Energy Program will become available to the companies enabling them to extend their services to municipalities not now serviced.

In light of the fact that many of these companies are ready to provide this necessary service now and that many municipalities are eagerly awaiting this extension of service for residential and industrial requirements, I move, seconded by the hon. member for Simcoe North (Mr. Lewis):

That the Minister of Energy, Mines and Resources inform this House of the exact date in the New Year when his department's distribution system expansion program will commence and which areas of the country will be given priority.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

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THE BUDGET

CALL FOR WITHDRAWAL OF CAPITAL GAINS PROVISIONS—MOTION UNDER S.O. 43

Mr. Arnold Malone (Crowfoot): Madam Speaker, in light of recent interest stimulated by the November 12 Liberal budget in the area of capital gains taxation and the negative effect that such a proposed taxation would have on the private pension arrangements of farmers, individual fishing operations and other small business persons, I move, seconded by the hon. member for Haldimand-Norfolk (Mr. Bradley):

That all of the November 12 budget provisions relating to capital gains be withdrawn, that an all-party committee be established to investigate the issue of capital gains and to further determine the reality of gain vis-à-vis the fact of inflation, and that the committee report back to Parliament with recommendations on the issue of capital gains taxation but only after holding public hearings across Canada with representatives of those persons directly affected.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

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● (1410)

ELDORADO NUCLEAR LIMITED

PLANNED SHUTDOWN IN URANIUM CITY—CALL FOR ASSISTANCE TO WORKERS—MOTION UNDER S.O. 43

Mr. Stan J. Hovdebo (Prince Albert): Madam Speaker, I rise on a matter of pressing and urgent importance. Whereas the Premier of Saskatchewan and members of his government and the hon. member for The Battlefords-Meadow Lake (Mr. Anguish) are now in Uranium City to meet with local residents on the wider effects of the planned shutdown of the Eldorado Nuclear uranium mine, and whereas the Minister of Energy, Mines and Resources (Mr. Lalonde) and the president of Eldorado Nuclear were invited to join this fact finding mission but declined because of insufficient notice of three days when their notice of the shutdown of the mine was sixteen hours to the Government of Saskatchewan and nil to the mayor of Uranium City, I therefore move, seconded by the hon. member for Regina West (Mr. Benjamin):

That the federal government enter immediately into negotiations with the Government of Saskatchewan and the town of Uranium City to discuss assistance for those of the 2,500 Canadians who have not been included in the limited federal commitment that is restricted to aiding the Eldorado worker force and who will be driven from their community within six months as the direct result of actions taken by a federal Crown corporation.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

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INTERNATIONAL JOINT COMMISSION

CALL FOR APPOINTMENT OF CANADIAN CHAIRMAN—MOTION UNDER S.O. 43

Mr. Dave Nickerson (Western Arctic): Madam Speaker, whereas the liberal government apparently does not care about the work of the International Joint Commission, which is charged with all aspects of international waterways shared between Canada and the United States, including matters related to commerce, acid rain and schemes like the Garrison Diversion, I move, seconded by the hon. member for Esquimalt-Saanich (Mr. Munro):

That this House condemns the government for forcing the IJC to operate for almost a whole year without a Canadian chairman and requires that such an appointment be made immediately.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

THE BUDGET

CALL FOR WITHDRAWAL—MOTION UNDER S.O. 43

Mr. Donald W. Munro (Esquimalt-Saanich): Madam Speaker, in light of the substantial changes which, from all indications, are about to be made to the November 12 budget, changes which are likely to reduce government revenue and thereby jeopardize many programs in place or else increase the deficit, I move, seconded by the hon. member for Western Arctic (Mr. Nickerson):

That the Minister of Finance be persuaded by his cabinet colleagues to withdraw the budget and replace it with a proper set of budgetary proposals when the House resumes its sittings in January, proposals which will provide realistic incentives to industry, enterprise and the work force to get the economy out of the current doldrums.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

THE CONSTITUTION

APPLICATION OF CHARTER PROVISIONS TO PROCEEDINGS IN HOUSE—MOTION UNDER S.O. 43

Mr. Howard Crosby (Halifax West): Madam Speaker, I rise under the provisions of Standing Order 43. After an overwhelming majority of members approved the constitutional resolution, which contains a Charter of Rights and Freedoms, this House allegedly followed ancient usage and custom and voted to expel a member for exercising the right to freedom of thought, belief, opinion and expression stipulated in the charter without recognizing the rights enunciated in the charter. I move accordingly , seconded by the hon. member for Western Arctic (Mr. Nickerson):

That this House demonstrate its real approval of fundamental rights and freedoms by making the provisions of the Charter of Rights and Freedoms apply forthwith to proceedings in the House as part of the Standing Orders so that the charter will govern over these ancient usages and customs that now apply.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

EXTERNAL AFFAIRS

POLAND—NON-INTERFERENCE IN INTERNAL AFFAIRS BY OTHER NATIONS—MOTION UNDER S.O. 43

Mr. Ian Deans (Hamilton Mountain): Madam Speaker, I rise on a matter of urgent and pressing necessity. It follows along the line of two motions moved this afternoon but turned down. Whereas Canadians strongly adhere to the principles of the Helsinki Accord with special reference to basic human rights and freedoms and are greatly concerned about recent developments in Poland, and whereas Canadians support citizens of Poland in the struggle to acquire those basic freedoms to which they have a right, and whereas Pope John Paul II yesterday asked that solutions be arrived at without violence, I move, seconded by the hon. member for Saskatoon East (Mr. Ogle):

That this House urge all nations of the world to refrain from any political or military actions that may in any way interfere with the internal affairs of Poland and that this House express the wish that Poland's internal difficulties will be solved by peaceful negotiations between the Polish government and the Polish people.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Madam Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. Members: Agreed.

Motion agreed to.

● (1415)

ORAL QUESTION PERIOD

[*English*]

EXTERNAL AFFAIRS

POLAND—POSSIBLE INTERVENTION BY U.S.S.R.—GOVERNMENT POSITION

Hon. John C. Crosbie (St. John's West): Madam Speaker, in the absence of the Prime Minister I will direct my question to the Acting Prime Minister. It refers to the events on the weekend in Poland. Has the government made it clear in any official manner to the U.S.S.R. how seriously we would view any interference in Poland by the U.S.S.R.? Has the government made any representations to the Government of Poland deploring the actions taken this weekend, or any representations at all to the Government of Poland? In short, what representations, if any, have been made by the Government of Canada to either the Government of Russia or the Government of Poland?

Hon. J. Gilles Lamontagne (Minister of National Defence): Madam Speaker, I was very happy to hear some of the resolutions in the House today. If some were refused by this

side, or by the other side, it was because of a question of wording and not because of how this government views the Polish situation. With regard to the hon. member's question, the Secretary of State for External Affairs was in Dublin yesterday or the day before, where he publicly stated that Canada is watching the evolving situation in Poland with very keen interests. He appealed to everyone, both inside and outside Poland, to refrain from taking any actions which could jeopardize the situation in Poland. We are of the opinion that the situation in Poland can be resolved in a peaceful manner. We believe that this is possible.

COMMUNICATION LINK WITH CANADIAN EMBASSY

Hon. John C. Crosbie (St. John's West): Madam Speaker, we all know that Canada is watching. The whole world is watching. My question was to the Acting Prime Minister and it is still not answered. Has Canada made any representations in an official way to the U.S.S.R. or the Government of Poland in connection with events this past weekend? If so, what were the representations? We all know that the Secretary of State for External Affairs is watching. We are all watching.

My supplementary question, if the Acting Prime Minister will answer, is this. Are we now in communication with our embassy in Poland? Can we communicate with them? Are we hearing from them? Would either the Acting Prime Minister or the Minister of National Defence make a full statement on motions concerning the Polish situation? Is either minister prepared to make a statement on motions today outlining for us just what is happening and what position Canada is taking?

[*Translation*]

Hon. J. Gilles Lamontagne (Minister of National Defence): Madam Speaker, I think it is clear that in the final analysis, this government has always defended the rights and freedoms of nations. When, on earlier occasions, questions have been asked in this House regarding Poland and Afghanistan, the conclusion was always that it was up to the people themselves to decide what their future should be.

Regarding the question of whether we are in touch with our embassy in Warsaw or with other cities, I would say that it is very difficult right now to have any communications with our embassy in Warsaw, for the obvious reason that the borders are closed and communications are controlled by the military and by the present Polish government. However, we remain constantly in touch with the capital cities of NATO member countries, who are also watching the situation very closely. Perhaps the hon. member does not like it when we say that we are watching the situation in Poland with interest, but I think that in reacting to these events, our main concern should be the interests of the Polish people. There could be serious consequences if a country failed to show restraint or did not act wisely.

[*English*]

SAFETY OF CANADIAN NATIONALS

Hon. John C. Crosbie (St. John's West): Madam Speaker, I am asking the minister whether his government, the Government of Canada, has made any official representations to the U.S.S.R., advising of our views with respect to any interference by them in Polish internal affairs, or any representations to the Government of Poland about events on the weekend? Have we made any official representations? We all know the world is watching, and so is Canada. Can the minister answer those questions? Will he make a statement on motions on what the government has done, if anything?

Also, can he tell us is the government satisfied that any Canadian nationals, who are now in Poland, are safe? Is the government satisfied with respect to that? Could the minister just answer these questions, because it is a serious issue that we want some serious answers to, or would the minister like to give us more detail in a statement on motions?

• (1420)

[*Translation*]

Hon. J. Gilles Lamontagne (Minister of National Defence): Madam Speaker, when I mentioned just now that we were looking very closely at this situation, it should be clear that we are concerned about the situation in Poland and that we are also watching out for the safety of Canadian residents in that country. We have received word that the lives of Canadian residents in Poland are not in danger. The embassy is using all available means to get in touch with them and give them appropriate instructions on what to do until communications are back to normal.

* * *

[*English*]

UNITED NATIONS

CANADIAN PARTICIPATION IN DISENGAGEMENT OBSERVER FORCE IN MIDDLE EAST

Hon. Allan B. McKinnon (Victoria): Madam Speaker, my question is directed to the same minister, and also deals with the international scene. In view of today's surprising announcement from Tel Aviv, would the Minister of National Defence inform the House what plans Canada has with relation to our troops who are currently participating in UNDOF? What is Canada's official reaction to these events?

Hon. J. Gilles Lamontagne (Minister of National Defence): Madam Speaker, I think the reaction of the Canadian troops there today is just the same reaction as they have always had there. We are there as a peacekeeping and information force. I do not think there is any change in that situation as far as our troops are concerned in that part of the world.

FUNCTION TO BE PERFORMED

Hon. Allan B. McKinnon (Victoria): The minister is surely aware that these are not peacekeeping forces, that they are observers who are unarmed. There are over 200 of them. Will the minister tell the House if he is in any way satisfied that they will be able to perform any useful function, considering the news from Tel Aviv this morning?

Hon. J. Gilles Lamontagne (Minister of National Defence): Madam Speaker, if our 200 people there are observers, who are unarmed, and who are there to examine the situation which is happening in this part of the world, then obviously they are there as a peacekeeping force. They are certainly not aggressive and they are not so conditioned. I can assure the hon. member that if they were not useful to the countries there, they would not be there, because we have a better use for the troops elsewhere.

* * *

EXTERNAL AID

DEVELOPMENT OF COPPER MINES IN PERU

Mr. Ian Deans (Hamilton Mountain): Madam Speaker, I should like to address my question to the Minister of Energy, Mines and Resources. No doubt the minister is aware that over the weekend the Canadian government and some Canadian bankers decided to provide something in the order of $250 million to develop copper mines in Peru. What possible justification is there for spending $250 million Canadian dollars to develop copper mines in Peru when we in Canada have closed one copper mine in Newfoundland, when we are closing one copper mine in British Columbia, and when we are presently laying off in Manitoba where there are two mines that yield a significant amount of copper, thus causing unemployment in Canada, and creating employment with Canadian dollars in another part of the world?

Hon. Judy Erola (Minister of State (Mines)): Madam Speaker, the $250 million loan that the hon. member refers to will bring 3,000 person-years of work to Canadians.

BENEFITS TO CANADIAN INDUSTRY

Mr. Ian Deans (Hamilton Mountain): Madam Speaker, I would like the minister to enumerate exactly how many Canadians will receive employment as a result of spending $250 million Canadian dollars in Peru, in operations that are, in fact, being closed down in this country, where people are becoming unemployed and where, in fact, we ought to be using those dollars to develop secondary industry here rather than in some other part of the world?

Hon. Judy Erola (Minister of State (Mines)): Madam Speaker, that is exactly what we are doing. We are employing a great number of Canadians. Goods and machinery will be sourced here in Canada and will provide jobs for Canadians in badly needed areas. I might add that the copper mine that is being developed in Peru would have been developed by other sources if it had not been for the aid of Canadians. In this way we are guaranteeing jobs for Canadians. Those mines which are being closed in Canada are being closed for various reasons, including declining ore grade. In this case we are very sure of providing the kind of employment we want for Canadians.

Some hon. Members: Hear, hear!

USE OF CANADIAN RESOURCES

Mr. Ian Deans (Hamilton Mountain): Surely the minister recognizes that instead of using Canadian dollars to open up those mines, mines that will pay workers only 86 cents an hour compared to what Canadian workers earn, it would make more sense to use Canadian workers to develop Canadian resources. If we were to do that, we could still put those additional workers to work who will make the machinery. Why are we not using our resource to build our infrastructure in order that we will be in the forefront of world development?

• (1425)

Hon. Judy Erola (Minister of State (Mines)): Madam Speaker, that is precisely what we are doing; we are using our resources.

Some hon. Members: Oh, oh!

Mrs. Erola: Canadian mining expertise is world renowned. Exporting the kinds of machinery and engineering techniques which are being exported is precisely what we should be doing in Canada.

* * *

HAZARDOUS SUBSTANCES

UREA FORMALDEHYDE FOAM INSULATION—COMPENSATION FOR HOME OWNERS

Mr. Geoff Scott (Hamilton-Wentworth): Madam Speaker, my question is directed to the Minister of Consumer and Corporate Affairs. Now that the federal board of review has confirmed that urea formaldehyde foam constitutes a health hazard, will the minister tell the House of Commons today how the government intends to live up to its moral responsibility and compensate those Canadians who are suffering from UFFI?

[*Translation*]

Hon. André Ouellet (Minister of Consumer and Corporate Affairs): Madam Speaker, according to the four investigations conducted during the past few weeks, the results of which were published this morning, a small but substantial percentage of homes insulated with UFFI contain more than the generally accepted maximum of 0.1 parts per million. In the light of these findings, within the next few days the government is to

announce a financial assistance program for Canadian homes that contain this product.

[*English*]

ECONOMIC SITUATION OF HOME OWNERS

Hon. James A. McGrath (St. John's East): Madam speaker, my supplementary question is directed to the same minister. According to the report today, the findings of the review board indicate that reactions varies with individuals, so it is difficult to determine precisely the number of people who would be affected in terms of their health. Consequently, in view of the fact that over 100,000 homes have been insulated with urea formaldehyde foam, and that over 40,000 of these homes have been insulated under CHIP, under federal government licence, could the minister assure the House that the program he will announce today or tomorrow will address the very serious economic situation which the government has created for these 100,000 Canadians?

[*Translation*]

Hon. André Ouellet (Minister of Consumer and Corporate Affairs): Madam Speaker, first of all, I should like to correct the hon. member's preamble, where he mentions 100,000 homes. This number is more like 80,000 homes. Second, the hon. member mentions the responsibility of the government for apparently misleading home owners. The hon. member knows perfectly well that is not the case. The advertising campaign on home insulation was not directed to that particular product. Aside from those two mistakes, I can assure the hon. member that the government will act responsibly and, within the next few days, announce a program that will be directed to all who are suffering from this product.

[*English*]

REQUEST THAT MINISTER MAKE STATEMENT IN PARLIAMENT

Hon. James A. McGrath (St. John's East): Madam Speaker, the minister knows—and if he does not know he can certainly check with the minister of housing—that the urea formaldehyde foam insulation was licensed, approved, and given an approval number under CHIP by Canada Mortgage and Housing Corporation. If that is not a responsibility on behalf of the government, I do not know what is. The minister indicated that the government has a moral responsibility. Will the minister give the House an undertaking that he will make the statement in the House so that we will have a chance to respond accordingly?

[*Translation*]

Hon. André Ouellet (Minister of Consumer and Corporate Affairs): Madam Speaker, I am at the present time consulting with the industry and with provincial governments, and I do not intend to announce the program, as far as the Canadian government is concerned, until those consultations have been completed. Therefore, I cannot give the hon. member the assurance that the federal program will be announced before the end of this week. I shall, of course, do whatever I can to do so by the end of this week, but I do not think the hon. member, whether or not the House is in session, would want to deprive home-owners who stand to receive financial assistance from the government of this announcement.

* * *

● (1430)

[*English*]

THE BUDGET

EFFECT ON UNIONIZED WORKERS' MEDICAL AND DENTAL PLANS

Mr. Girve Fretz (Erie): Madam Speaker, my question is for the Minister of Labour. Has the minister made formal representation to the Minister of Finance that he suspend the taxation of medical and dental plans for unionized workers until existing collective agreements expire?

Hon. Chas. L. Caccia (Minister of Labour): No, Madam Speaker, I have not made formal representations, but I have drawn the problem to the attention of the minister.

POSITION OF NON-UNION WORKERS

Mr. Girve Fretz (Erie): Madam Speaker, I have a supplementary question for the same minister. If he has made no formal representations on behalf of the unionized workers, has he made a formal request on behalf of non-union workers who have medical and dental plans through their place of employment?

Hon. Chas. L. Caccia (Minister of Labour): Madam Speaker, there is no need to draw a distinction of that kind. Representations can be made, and I would make them at any time on behalf of working Canadians who may be affected by any provision of the budget; therefore, I have brought that particular aspect of the budget to the attention of the Minister of Finance.

While I am on my feet, Madam Speaker, I would like to add something to my reply to a question put by the hon. member on Friday. Inadvertently I replied only to half of his question by saying yes, and did not answer the other half of the question by saying no. I will do that now. I hope that, having made that inadvertent omission, I have triggered the sense of humour of the hon. member.

Some hon. Members: Hear, hear!

* * *

RAILWAYS

INCREASES IN LUMBER FREIGHT RATES

Mr. Keith Penner (Cochrane-Superior): Madam Speaker, my question is for the Minister of Transport. In view of the

severely depressed state of the lumber industry in northern Ontario as evidenced by mill shutdowns, massive lay-offs, and inventories that are excessively high, I should like to know whether the minister is in a position to use his persuasive powers to prevail upon the Canadian National Railways to postpone for at least a six-month period the very high freight increases for the transportation of lumber that they have announced. These increases will amount to 11 per cent on January 1 and another 5 per cent on June 1. At this time the industry simply cannot bear these costs, which cannot be passed on, and so would mean more lay-offs and higher unemployment in a region that is already suffering too much from these social problems.

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, my hon. friend is passing a value judgment under which the railways would be in a better position to foot the bill than the lumber industry would be. I am quite willing to use these well-known persuasive capacities of mine, but before I do so I will speak to him, and to my department and the CN about the situation in the lumber industry, and try to compare it with others before I use these persuasive qualities of mine.

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NATIONAL SECURITY

PROVINCIAL GOVERNMENT COMMUNICATIONS

Hon. Allan Lawrence (Durham-Northumberland): Madam Speaker, in the absence of the ministers, my question is for the Acting Solicitor General, the Acting Minister of Justice, or even the Acting Prime Minister—any one or all three.

Has any member of the Government of Canada executed any warrant under the Officials Secrets Act empowering the security service of Canada to intercept by electronic, mechanical or any other means, communications to or from the members of employees of any provincial government and in particular, the government of the province of Quebec?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, the parliamentary secretary was supposed to be here to answer questions, but she is not. May I take the question as notice and bring it to the attention of the minister for an early reply?

USE OF PROVISIONS OF OFFICIAL SECRETS ACT

Hon. Allan Lawrence (Durham-Northumberland): Madam Speaker, I assume the minister is replying under his other hat of Acting Prime Minister and I will put my supplementary question to him. When these interceptions take place, unquestionably political information about the activities or policies of that provincial government would also be obtained and passed along to the federal government. Would the Acting Prime Minister indicate if these facts would justify a provincial attorney general or a provincial minister of justice charging the paid agents of the federal government, namely the security service personnel, under the Official Secrets Act? Can the provisions of the Official Secrets Act be utilized by a provincial government as well as the federal government?

An hon. Member: He doesn't know.

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, obviously I do not know; my hon. friend is right. May I repeat the offer I made in answer to his first question, that I will bring this to the attention of the minister without, of course, accepting any of the premises of the question.

* * *

ENERGY

EXPLORATION AND DRILLING IN THE ARCTIC

Mr. Jim Fulton (Skeena): Madam Speaker, my question is directed to the Minister of Energy, Mines and Resources. Last week Bill C-48, which provides for the production of and exploration for gas and oil on Canada lands, made its way through this House but it has not yet become law, as I am sure the minister is aware. Would the minister tell the House if it is his position that exploration and drilling in the Arctic can still occur under the Oil and Gas Production and Conservation Act until such time as Bill C-48 becomes law?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, the hon. member asks me for a legal opinion, and I will give him a free one. I used to charge for these opinions, but I will give him a free one.

Mr. Nielsen: No wonder you went broke.

Mr. Lalonde: Until Bill C-48 is passed by the Senate and proclaimed, the existing laws are still in operation.

CONSTRUCTION OF ICE ISLANDS BY PANARCTIC

Mr. Jim Fulton (Skeena): Madam Speaker, I realize the minister did not charge too much for that. In answer to my question, however, I hope that he will lay the appropriate charges. At the present time Panarctic, which is 45 per cent owned by Petro-Canada, is illegally constructing ice islands to be used as drilling platforms in the Prince Gustaf Adolf Sea, just north of Mackenzie King Island, a mere ten degrees south of the North Pole.

Since the necessary permits under existing legislation on which the minister just commented have not been obtained, and since Bill C-48 is not yet law as the Senate has not passed it, will the minister be laying charges against Panarctic today, or will he issue a cease and desist order for activities in that area, or is Panarctic beyond the law north of sixty?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, the hon. member is wrong on at least one point. He should know that all Canada lands above the sixtieth parallel come under the responsibility of the Minister of Indian Affairs and Northern Development. I

would therefore invite him to raise this point with the minister when he is back in the House.

On the second part of the question, I will inquire from the appropriate officials about the situation, but taking into account his remarks and his question, I doubt that his information is right. I will examine the matter, however.

* * *

AIR TRANSPORT

REQUEST THAT CANADIANS BE EMPLOYED AS AIR TRAFFIC CONTROLLERS

Mr. John McDermid (Brampton-Georgetown): Madam Speaker, my question is for the Minister of Employment and Immigration. Has the minister or any of his staff been approached by Transport Canada requesting the immigration of fired air traffic controllers from the United States, or of air traffic controllers from any other country? Will the minister assure the House and the people of Canada that the occupation of air traffic controller will not be considered an importable skill and that the available jobs in air traffic control will go to Canadians?

Hon. Lloyd Axworthy (Minister of Employment and Immigration): Madam Speaker, in answer to the first part of the question, I have not been approached by the minister or, as far as I know, by any officials of his department. As far as the second part of the question is concerned, my first response to that is that it would not be likely, because there is a pool of well-trained air controllers in this country. We are always interested in encouraging the development of well-trained people in Canada when the opportunity presents itself.

POSSIBLE HIRING OF UNITED STATES NATIONALS

Mr. John McDermid (Brampton-Georgetown): Madam Speaker, I should like to put my supplementary question to the Minister of Transport. Is Transport Canada giving serious consideration to hiring fired American air traffic controllers? If the answer is yes, why? If the answer is no, will the minister assure Canadians that fired U.S. air traffic controllers will not get the available jobs in air traffic control and that they will only be offered to Canadians? Will he give that assurance today?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, I will not. It seems to me that having recognized that we have some difficulties in recruiting air traffic controllers, we should at least leave ourselves open to the possibility of accepting a few from the United States if no Canadians are available at a particular moment or in a particular region. I do not want to say no, because there might be exceptions and then I would be accused of having lied to the House of Commons, which I never did, of course. One thing which is absolutely certain is that no decision on hiring will be taken without the knowledge of the minister.

• (1440)

RAILWAYS

EFFECT OF COSTING ORDERS IN DETERMINING BRANCH LINE ABANDONMENTS

Mr. Arnold Malone (Crowfoot): Madam Speaker, I would like to direct a question to the Minister of Transport concerning an issue on which I gave notice two or three weeks ago. It relates to the costing orders which the CN or CP would apply with respect to their applications for abandonment of branch lines. Does the minister consider it fair that, in their costing orders, CN or CP can put forward four categories of costs, three of which re-apply even if the line is abandoned? There could be situations where the cost on a line is indicated to be $2 million when, in actual fact, the cost could be as low as $200,000 or $300,000. Does the minister consider that to be an acceptable procedure on behalf of the railway companies?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, I am sure that Your Honour understands the question very well. I am not sure that I do. The hon. member had asked me to look into that matter a number of days ago. It is obviously a very intricate question. Consequently, I have asked my department to look at the matter in conjunction with the CTC, but I have not yet had an answer. I will push to get the answer as soon as possible so that I can transmit it to my hon. friend. But as the question is a very technical one, I do not dare to give an opinion today.

Mr. Malone: Madam Speaker, I recognize the complexity of that question, and I respect the answer that the minister has given.

REQUEST THAT CANADIAN TRANSPORT COMMISSION BE GIVEN EXPANDED POWERS OF RECOMMENDATION

Mr. Arnold Malone (Crowfoot): I would like to ask the minister a supplementary question. I think both of these questions are parallel and complicated. While the minister is making representations to the CTC, could he once again re-open the question of the limited mandate of the CTC only to abandon or to extend a line for five years, and the question of the CTC having the prerogative of recommending that a line which is the subject of an application for abandonment be included in the basic railway network? Without these two, the costing orders, and recommendations respecting the basic network, sooner or later, somewhere down the road, all branch lines on the prairies will be gone. Would he also extend that recommendation to the CTC?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, this possibility now exists. The CTC can recommend to the minister that there be inclusion of a branch line in the basic network system. However, the decision to include or not top include is one which the minister must make himself. But, again, the CTC can make such a recommendation.

NATIONAL ENERGY PROGRAM

REQUEST FOR REFERRAL TO STANDING COMMITTEE

Mr. Harvie Andre (Calgary Centre): Madam Speaker, my question is directed to the Minister of Energy, Mines and Resources. Last Friday, in answer to a question by the hon. member for Ontario, the Minister of Energy, Mines and Resources refused to acknowledge the serious state of decline of the Canadian oil and gas industry since the National Energy Program was introduced 13 months ago. Therefore, if the minister is confident in his view that the industry is not in a state of decline, would he permit a reference to the Standing Committee on Natural Resources and Public Works so that during the five-week Christmas break this committee could determine the status of the industry and its plans and, in particular, the impact on the manufacturing industries of Ontario and Quebec which supply this industry?

[*Translation*]

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, for months the Committee on Natural Resources has held hearings on Bill C-48, and a great many people appeared before the committee throughout Canada. I myself appeared before the committee again, only few days ago, and I have had an opportunity to give evidence on this subject. At that time, I pointed out in my reply to the member for Ontario last week that there had indeed been a decline in the activities of the oil industry during the period following the announcement of the National Energy Program, up to the conclusion of agreements with the oil producing provinces, and that the absence of an agreement with the oil producing provinces had been a factor in this decline, but that activities seem to have picked up at the present time. In fact, we are projecting an increase of between 25 and 50 per cent in the activity that is expected to take place in Canada lands in 1982 compared with 1981, which indicates a high degree of confidence in the revival of the oil industry, at least in Canada lands.

[*English*]

CANADIANIZATION OF INDUSTRY

Mr. Harvie Andre (Calgary Centre): Madam Speaker, I guess the minister is not prepared to have an independent analysis of his judgments. However, one of the goals of the National Energy Program was the Canadianization of the oil and gas industry. As the minister knows, Canadianization can occur through takeover of foreign-owned companies or through the relatively more rapid growth of Canadian-owned oil and gas companies.

Given that the latest budget contains several provisions which will make it much more difficult for the smaller Canadian oil and gas companies to grow, can the minister indicate whether this is an accidental consequence of this latest budget or whether it is a deliberate decision on the part of the government to dismiss the contribution which smaller Canadian oil and gas companies could make to this goal of increased Canadianization?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, the hon. member must have misunderstood my first answer. I indicated that in the first six months of last year there was indeed a decline of activities in the petroleum industry compared to 1980. However, I also stated that our forecasts, for instance, in Canada lands—

Mr. Andre: Canada lands, not Canada.

Mr. Lalonde: —during 1982 indicate that there will be an increase by 25 per cent to 50 per cent in activities.

As far as the Canadianization program is concerned, the hon. member knows that the Canadianization of the industry proceeded very well last year and that there has been a significant increase in Canadian ownership in the oil and gas industry. We are hoping that this rate of increase in Canadian ownership will be maintained throughout this decade, whether it takes place through takeovers or farm-ins or joint ventures. We are encouraging all ways and means whereby Canadian companies will be more active in the oil and gas industry and whereby the Canadian control of that industry will take place over this decade.

Some hon. Members: Hear, hear!

EFFECT ON NORTHEASTERN BRITISH COLUMBIA

Mr. F. Oberle (Prince George-Peace River): Madam Speaker, my question is also directed to the Minister of Energy, Mines and Resources. Throughout the deliberations on Bill C-48, and particularly since the agreements have been signed with the producing provinces, the minister has been stating that he could notice very stimulating effects on the oil economy, not just in the Canada lands but in the provinces as well. So far, these effects have eluded the area of northeastern British Columbia which is the only producing area in that particular province. Instead, there has been a very serious economic bust.

What advice would the minister give the many small businesses which have gone under or are in the process of going under? These are oil service businesses which employ Canadian people and utilize Canadian technology. What advice would the minister give to 5,000 workers in that region who were normally employed in the energy sector, and to small municipalities which must cope with the social problems and factors which are usually associated with that kind of economic bust? In other words, what could the minister point to in the national energy package or Bill C-48 to restore confidence in the oil sector in British Columbia?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, the hon. member attended many meetings. There were approximately over 100 hours of committee meetings. I am surprised that he does not realize that Bill C-48 does not apply to British Columbia. It applies to

Canada lands. Therefore C-48 would have no effect, one way or the other, upon activities in British Columbia.

As far as the statements by the hon. member concerning the oil service industry in northeastern British Columbia are concerned, I think it would be more accurate to describe it as a gas service industry because, as the hon. member knows, British Columbia is essentially a gas producer. In the agreement reached during the course of our discussions with British Columbia, British Columbia recognized that its taxes and royalties, or its take from the industry, were too large. British Columbia said that it would review the share that it was taking in order to reduce it. In effect, as the hon. member knows, many producers had abandoned production in British Columbia because the government of British Columbia was taking too much.

* * *

PETRO-CANADA

EXPLORATION AND DEVELOPMENT POLICIES

Mr. F. Oberle (Prince George-Peace River): Madam Speaker, it is quite true that I attended most of the meetings, numbering over 100, deliberating Bill C-48. Throughout the whole deliberation I was always very skeptical of the minister's assessment of the effect which that particular component of the national energy package would have on the oil economy. There is a very serious effect on the provinces when the minister offers an 85 per cent rebate for exploration costs in Canada lands but only 35 per cent in the provinces. That affects the provinces, because whatever rig has not left the country to go to the United States is now heading for Canada lands, and PetroCan is one of these companies. Would he give directions to PetroCan to review its exploration and development policies in areas such as northeastern British Columbia which are very hard hit by these policies?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): The amazing thing about the hon. member's statement is the fact that he does not seem to want to acknowledge that provincial governments, having a significantly larger take than the federal government—this particularly applies to British Columbia—should be expected to make their own contribution to the welfare of that industry within their own borders.

● (1450)

The Government of Canada has taken care to ensure that there will be strong incentives for industry operating in Canada lands and is providing a contribution to that effect from general taxpayers. We are also making a contribution to the activities in the provincial lands, but if there are any shortcomings in that regard, we expect that the provincial governments will do their share, bearing in mind that they are the main beneficiaries, as compared to the federal government, of the exploitation of those resources in those provinces.

As to Petro-Canada, I have looked at the capital budget of Petro-Canada very carefully. The cabinet has looked at it in the last week and we have an extremely good, forward-looking budget for Petro-Canada for 1982. I am confident that Petro-Canada will continue to play a major role in ensuring that the oil and gas industry in Canadian hands is very active in the year to come.

* * *

HOUSING

REQUEST THAT RENTS BE GEARED TO INCOMES

Mrs. Margaret Mitchell (Vancouver East): Madam Speaker, my question is for the minister responsible for the Canada Mortgage and Housing Corporation and it concerns the critical need for affordable rental housing. At least 100,000 units of affordable rental housing are needed in Canada right now. Since the government's offer of interest free loans for 15,000 new rental units to complement about 25,000 co-op and non-profit units will not provide nearly enough to house tenants now, much less in 1982, will the minister assure this House that all of the 15,000 rental units which will receive government subsidies will have rents geared to incomes, as this is the only way to ensure that these will be affordable for tenants?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, as was indicated in the budget speech, one third of the 15,000 units which are designed to meet low and middle-income families seeking moderate rental accommodation will be available to those provinces that wish to join with Canada Mortgage and Housing Corporation and the federal government in the provision of a further subsidy over and above the provision of what we believe to be low market, moderate and, therefore, affordable rental units. Most provinces, I would say, have indicated that a design, in order to achieve some kind of wide income range in any particular group, as a planning device is better not to have 100 per cent, that is, of one particular project, under the rent geared to income formula.

ASSURANCE SOUGHT THAT RENTAL STOCK WILL NOT BE SOLD

Mrs. Margaret Mitchell (Vancouver East): Madam Speaker, I take it that this means there will be only 5,000 units available for middle and low-income people, not even enough to meet the needs in Halifax much less in Canada.

Since in the past tax write-offs have been used to build strata title housing which are units that are not rent controlled and can be readily sold for massive profits as condominiums, and we do not want this kind of fiasco repeated, will the minister tell us if he will guarantee that all rental units which receive government subsidies in the future will be retained as affordable rental stock and not sold off? Will he make this a requirement to qualify for government subsidy?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, I would have to indicate at the outset, and I repeat,

that these 15,000 units are designed to be housing accommodation available to people of low and moderate incomes. In addition to that, one third of them—5,000—will be available to people who need subsidy even over and above what is available to people of lower market rental incomes. On top of that, the 25,000 non-profit and co-op housing is addressed to that very same market with mortgages available at 2 per cent, providing affordable accommodation.

In so far as the question of stratification is concerned, while the program is in place, and while the interest-free loans are being paid off by the entrepreneurs, the developers or the builders, these projects will be protected—at least during that interval of time.

* * *

PUBLIC SERVICE

MINISTER'S CALL FOR RESTRAINT IN MEETING WAGE CLAIMS

Hon. Walter Baker (Nepean-Carleton): Madam Speaker, my question is for the President of the Treasury Board. As he no doubt knows, the Minister of Finance today in Toronto called on his provincial counterparts to join him in the battle against inflation by holding down wage increases for public servants. Given this clarion call to restraint based on the backs of public servants, will the minister indicate how, in the face of that statement this week, it could have raised Governor Bouey's salary so dramatically last week, and how Canadians can possibly believe anything this government wants to say on that matter?

Hon. Donald J. Johnston (President of the Treasury Board): Madam Speaker, I am somewhat surprised at the question by the hon. member for Nepean-Carleton. Surely he is aware that the federal government during the last year, and preceding that, has consistently followed a policy of following the private sector, and I believe our record speaks for itself. Wage increases in the public sector at the federal level have been reasonable, have not been excessive, and we intend to continue that policy.

REQUEST FOR MINISTERIAL STATEMENT

Hon. Walter Baker (Nepean-Carleton): Madam Speaker, my friend knows that the increase for Governor Bouey was 10 per cent, bringing him to a dramatic new high. I think we have to know what the government's policy is. Is it going to freeze the wages of public servants? Is it going to allow the Minister of Finance to set, by fiat, the level of salaries for public servants? Can they be assured that there is not one standard for Governor Bouey and another standard for other public servants in this country? In view of the inconsistencies of the government's actions and its words, I think some clear statement would be of interest from the President of the Treasury Board.

Hon. Donald J. Johnston (President of the Treasury Board): Madam Speaker, I find it quite astonishing that the hon. member would charge that 10 per cent is an excessive increase at this time. I am sure we would all be very satisfied if national wage increases were in the order of 10 per cent. I seem to recall the hon. member voting himself a raise somewhat in excess of that.

An hon. Member: And you too.

* * *

IMMIGRATION

ADMISSION OF POLISH VISITORS TO PERMANENT RESIDENT STATUS

Mr. Jesse P. Flis (Parkdale-High Park): Madam Speaker, my question is directed to the Minister of Employment and Immigration. I apologize to him for not giving him prior notice of the question.

Some hon. Members: Oh, oh!

Mr. Flis: Madam Speaker, it seems that people opposite always want to play partisan politics, even on most urgent and serious matters.

In view of the fact that martial law has been imposed by the Communist régime in Poland, and the flow of people into and out of Poland has been forbidden, will the minister please tell this House what plans he has to allow Polish people in Canada who have no relatives here to stay in Canada without having to go to a third country, as at present? Does he have any contingency plan to allow Polish people who are in Canada and have no relatives here to apply for permanent residence immediately?

Hon. Lloyd Axworthy (Minister of Employment and Immigration): Madam Speaker, I am pleased that the hon. member has asked the question, even without prior notice, because I think this is a serious situation and one that we are also looking at very closely. In terms of the position of Polish nationals who are presently in Canada, I would remind the hon. member and other members of the House about the special measures we did introduce, which do allow Canadian families to sponsor those who are in Canada, and Polish nationals without families to apply for ministerial permits which we are prepared to give so they do not have to return to Poland. Those permits would be assessed after a year or so when conditions clarify, or whenever they do clarify.

In short, Madam Speaker, I can indicate that, as far as Polish visitors or nationals in Canada are concerned, they do not have to go back under the present arrangements, and I would be very pleased to have our immigration officers meet with them to give them any advice or consultation they find necessary.

Some hon. Members: Hear, hear!

Petitions

PETITION

MR. CLARK—EFFECTS OF HIGH INTEREST RATES

Madam Speaker: I have the honour to inform the House that the Clerk of the House has laid upon the Table the one hundred and fifty-sixth report of the Clerk of Petitions stating that he has examined the petition presented by the right hon. member for Yellowhead (Mr. Clark) on Friday, December 11, 1981 and finds that it meets the requirements of the Standing Orders as to form.

● (1500)

ROUTINE PROCEEDINGS

[*English*]

Madam Speaker: Tabling of documents.

Mr. Scott (Hamilton-Wentworth): Madam Speaker, I rise on a point of order concerning the tabling of a document, or rather the absence of the tabling of a particular document which we have been awaiting for many weeks. It concerns the results of the tests that have been conducted since last June to determine the levels of urea formaldehyde foam insulation—

Madam Speaker: Order, please. That is not a point of order. Tabling of documents is a procedure by which those who have documents to table can do so. However, if such documents are not tabled it does not constitute a point of order.

[*Translation*]

Mr. Ouellet: Madam Speaker, if you would perhaps allow me to clarify the situation, the paper will be tabled tomorrow.

* * *

PETITIONS

MR. HALLIDAY—STRIKES BY PUBLIC SERVANTS TO BE ILLEGAL

Mr. Bruce Halliday (Oxford): Madam Speaker, I have the duty to present a petition on behalf of my constituents, a petition signed by 118 residents of Oxford, including supporters of the major political parties in Canada, which calls attention to the great damage to Canadian business and the considerable inconvenience experienced by the Canadian public as a result of direct strikes involving the public service. The postal strike of last summer is a case in point.

With this in mind, the petitioners call upon the federal government to take immediate steps to make it illegal for employees of the federal government to go on strike.

MR. KING—CALL FOR CESSATION OF NUCLEAR INDUSTRY ACTIVITY

Mr. Fred King (Okanagan-Similkameen): Madam Speaker, I have the duty to present a petition on behalf of my constituents. The purpose of this petition, which was signed by citizens of the WestBank area in British Columbia and who have formed themselves into an anti-nuclear society named "Candu Won't Do", is to bring to the attention of the House a statement to which 5,903 signatures have been affixed detailing the inherent global hazard to human life itself as a result of slow or catastrophic radiation damage through the use of nuclear technology. The copy page of this statement is attached to this petition.

The nature of the petition is to pray and beseech this House to introduce a bill to Parliament which would stop all nuclear-related activities, including uranium mining, production and sales of Candu reactors and the decommissioning of all existing nuclear reactors.

The petitioners hope, Madam Speaker, that you will find their petition in order and that, through their efforts and this petition, Members of Parliament and the citizens of Canada will be alerted to the magnifying threat to human life posed by nuclear industry activity whether the purpose is for benefit or destruction.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Madam Speaker, the following questions will be answered today: Nos. 3,057, 3,088, 3,102, 3,111, 3,112, 3,317 and 3,330.

[*Text*]

BASIS FOR BUDGET ALLOTMENT

Question No. 3,057—**Mr. McKenzie:**

1. With reference to section 10.44 of the 1980 Report of the Auditor General, on what data, surveys, information or other statistics is the redistribution of budget allotments based?

2. Has the Department of Veterans Affairs concluded that the majority of veterans would rather stay at home than go to veterans hospitals and, if so, on what information, surveys or other sources is this conclusion based?

Hon. W. Bennett Campbell (Minister of Veterans Affairs): 1. The budget for the Aging Veterans program is based on the experience of those provinces which offer care in the home as an insured health care service. No redistribution of budget allotments is involved, as new funds were provided specifically for this program.

2. The Department of Veterans Affairs has concluded that the majority of veterans, like the majority of other Canadian citizens, would rather remain at home, retaining their indepen-

dence to the degree possible, than be institutionalized. This conclusion is strongly in accord with the literature in the field of gerontology which states, emphatically, that as long as it remains a feasible alternative, most elderly individuals strongly prefer to remain in their own home.

In developing the Aging Veterans Program, which has as its aim the preservation of independent functioning to the degree possible, the veterans' associations across Canada were consulted and there continues to be an ongoing consultation with these veterans' groups relative to the program.

ACQUISITION OF SHARES BY AECL

Question No. 3,088—**Mr. Clarke:**

1. During the period 1970-80 did Atomic Energy of Canada Limited acquire shares or other ownership interest in any other corporation, limited liability company or unincorporated company and, if so, what was the (a) name of the corporation, limited liability company or unincorporated company and any subsidiaries thereof (b) percentage of equity acquired (c) cost of acquisition (d) book value of the acquisition?

2. Does Atomic Energy of Canada Limited have a plan to change the present portion of ownership in any of these enterprises and, if so, what is the plan?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Atomic Energy of Canada Limited reports as follows:

1. No.

2. Not applicable.

ACQUISITION OF SHARES BY URANIUM CANADA LTD.

Question No. 3,102—**Mr. Clarke:**

1. During the period 1970-80 did Uranium Canada Limited acquire shares or other ownership interest in any other corporation, limited liability company or unincorporated company and, if so, what was the (a) name of the corporation, limited liability company or unincorporated company and any subsidiaries thereof (b) percentage of equity acquired (c) cost of acquisition (d) book value of the acquisition?

2. Does Uranium Canada Limited have a plan to change the present portion of ownership in any of these enterprises and, if so, what is the plan?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Uranium Canada Limited reports as follows:

1. No.

2. Not applicable.

ACQUISITION OF SHARES BY ELDORADO AVIATION LTD.

Question No. 3,111—**Mr. Clarke:**

1. During the period 1970-80 did Eldorado Aviation Limited acquire shares or other ownership interest in any other corporation, limited liability company or unincorporated company and, if so, what was the (a) name of the corporation, limited liability company or unincorporated company and any subsidiaries thereof (b) percentage of equity acquired (c) cost of acquisition (d) book value of the acquisition?

2. Does Eldorado Aviation Limited have a plan to change the present portion of ownership in any of these enterprises and, if so, what is the plan?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Eldorado Aviation Limited reports as follows:

1. No.

2. Not applicable.

ACQUISITION OF SHARES BY ELDORADO NUCLEAR LTD.

Question No. 3,112—**Mr. Clarke:**

1. During the period 1970-80 did Eldorado Nuclear Limited acquire shares or other ownership interest in any other corporation, limited liability company or unincorporated company and, if so, what was the (a) name of the corporation, limited liability company or unincorporated company and any subsidiaries thereof (b) percentage of equity acquired (c) cost of acquisition (d) book value of the acquisition?

2. Does Eldorado Nuclear Limited have a plan to change the present portion of ownership in any of these enterprises and, if so, what is the plan?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Eldorado Nuclear Limited reports as follows:

1. No.

2. Not applicable.

INTERNATIONAL PROGRAM FOR THE DEVELOPMENT OF COMMUNICATION

Question No. 3,317—**Mr. Fretz:**

Following the meeting of the 35-state Intergovernmental Council of the International Program for the Development of Communication (IPDC) held in mid-June, does the government intend to contribute to the launching and implementation of the program and, if so (a) what amount of money and manpower (b) what were the names of all Canadians involved (c) which (i) international agencies (ii) countries will receive assistance?

Mr. Jack Masters (Parliamentary Secretary to Minister of Communications): In so far as the Department of Communications is concerned, the reply to the above question is as follows: Canadian preparations are under way for the second meeting of the Intergovernmental Council of the IPDC, to be held in Mexico in mid-January. Appropriate government departments and non-governmental organizations are working to determine what form Canadian participation might take.

The first meeting of the council set the broad outlines of the program but did not define specific mechanisms nor did it identify projects. It is anticipated that at the second meeting projects will be presented for support; we do not yet know the specifics of these projects, but they are likely to be regional rather than limited to one particular country. Until more information is available, the Canadian contribution to the program cannot be determined.

FEES PAID TO TRUSTEES IN BANKRUPTCIES

Question No. 3,330—**Mr. Herbert:**

For each of the past five years, by province, what was the total amount of fees paid to trustees in bankruptcies?

Mr. Gary F. McCauley (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): The information requested is not available. Please note that our statistical system is such that it is impossible to separate fees paid to trustees apart from other administrative costs.

[*Translation*]

Mr. Smith: I suggest, Madam Speaker, that the remaining questions be allowed to stand.

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

[*English*]

Mr. Murta: Madam Speaker, I rise on a point of order. I would like to bring to the attention of the Parliamentary Secretary question No. 3,440, which is a starred question that was placed on the Order Paper on November 18. It concerns some committee work done by the Minister of Agriculture, a committee that he set up. It is fairly straightforward and I would hope that he would give it his utmost attention.

Mr. Smith: Madam Speaker, I will take note of that representation.

[*Translation*]

Madam Speaker: Shall the remaining questions be allowed to stand?

Some hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

LABOUR ADJUSTMENT BENEFITS ACT

MEASURE TO PROVIDE PAYMENT OF BENEFITS

The House resumed, from Friday, November 6, consideration of the motion of (Mr. Caccia) that Bill C-78, an act to provide for the payment of benefits to laid off employees and to amend the Canada Labour Code, be read the second time and referred to the Standing Committee on Labour, Manpower and Immigration.

Mr. John McDermid (Brampton-Georgetown): Madam Speaker, this afternoon we are debating Bill C-78, to provide for the payment of benefits to laid off employees and to amend the Canada Labour Code.

This bill has been with us for a period of time and we are now into second reading. The bill sets out the details of an aid program which is to be made available to older employees who are laid off as a result of plant shutdowns. This program extends benefits now available to certain employees in designated sectors, and this bill is designed to extend these benefits to all industrial sectors. As well, these benefits will extend to community-based programs which were announced jointly by the Departments of Labour, Manpower and Immigration and Industry, Trade and Commerce in the beginning of 1981.

I think it goes without saying that although the bill will provide some worthwhile benefits, it is too little, too late. There are massive lay-offs occurring at this time, many plants closing and bankruptcies taking place every day. Bankruptcies are up by 50 per cent in small businesses as well as in the farming industry. The budget for this new amendment, I note, is $2.5 million for the fiscal year 1981-82. It will not be retroactive to help all those people who are experiencing great difficulties right now. I think of the Admiral Corporation which laid off 2,400 workers and went into receivership. Those workers are not receiving back pay, holiday pay or benefits that are owing to them. These workers were laid off just before Christmas and they have no relief whatsoever because their benefits are tied up. That is just one example. There are hundreds of other examples throughout Canada which could be cited. Some of my colleagues will be expressing their concerns in this connection later today.

This bill was originally ruled out of order before Parliament adjourned for the summer recess in mid-July. At that time we thought that this bill would go through rather quickly on second reading. However, there are some matters to be discussed before the bill goes to committee later today. It is my understanding that the bill will go through second reading today and into committee tomorrow.

Hon. John C. Crosbie (St. John's West): Mr. Speaker, the bill we are now debating is one which is not launching a massive assault on the problem of unemployment in Canada. It will do nothing for the hundreds of thousands of Canadians who are now being laid off as a result of the depression that is now under way because of the incompetent policies of the government which we have had since March, 1980.

Bill C-78 only makes provision for employees of a designated industry which is closed down, and those employees who are laid off will receive certain benefits, if they do not otherwise qualify for benefits. An industry is designated because there has been a significant loss of employment due not to economic recession but to import competition or industrial restructuring or the like. Or an industry is in a region that has been designated by the government. All that is going to happen is that these laid-off employees, as I understand it, who are, at least in one category, 54 years of age and have worked in the industry for at least ten of the preceding 15 years, or who were at least 50 years of age, have worked in the industry at least 30 years but are no longer eligible for unemployment insurance, do not qualify for a Quebec or Canada pension and are not able to obtain other work either through job retraining or relocation or both, will receive additional assistance. That is what this bill basically provides for. It is an inadequate response to the present problems we have in this country with respect to unemployment.

• (1510)

It was a pledge of this government in the election of 1979-80 that they were going to do certain things. I just want to put on the record some of the things they said they were going to do. The Prime Minister (Mr. Trudeau) said this on January 12, 1980:

We have an economic program for the eighties which will enhance dignity, create opportunities and provide security.

That was his economic program for the eighties, and we have to ask this government now, where is this program which is going to enhance dignity, create opportunities and provide security? What Canadians have had any security provided for them in the 22 months since this government came to office? What Canadians have had their dignity enhanced by this government's policies since it came to power in February of 1980? What opportunities and what security is being provided? That is what we ask. That was the pledge. Rather than do anything in the economic sphere the Liberals, with the help of the NDP, defeated a government that was doing something along these lines and replaced it. It was on the basis of these promises that they did so.

I want to refer also to a transcript of a press conference the Prime Minister had in Toronto on that day, January 12, 1980. On page 5 of the transcript he was outlining five great principles that were going to be put into effect if they were re-elected. The third one is this:

—we will implement a development and industrial strategy which will provide jobs, spur growth, increase Canadian ownership and control.

Where is it? Where is the growth that has been spurred? We just had a quarter in which the gross national product declined. Where is the industrial strategy that has provided jobs? The only industrial strategy has been to help Massey-Ferguson or Chrysler in their tremendous troubles and to try to save a few jobs there, not to provide additional jobs. Then the statement was made:

This party will not simply stand by and let the recession come. We will fight it and overcome it.

That was the Prime Minister's statement in January of 1980. He was not going to stand by and let the recession come. "We will fight it and overcome it." Where is the fight? Where is the overcoming? Is it represented in this pitiful bill that is now before the House to help a few people if they are over 50 or over age 54 in a designated industry? Is that the great fight against recession? Is the budget of November 12 this great fight against recession? Is the budget of November 12 going to fight and overcome the recession? It is not. It is going to assist the recession, as every observer has said.

The Prime Minister went on to say in the same press conference:

We must increase the economic might of Canada by strengthening each of the regions. We will make the big projects happen, whether they be developing the fishery in the Atlantic, rebuilding the railways in the West, developing new manufacturing strength in Ontario and Quebec, or expanding British Columbia's resource and trade potential. We need a national government that builds up rather than tears down.

How much of that pledge has been carried out? What regions have they strengthened? What region of Canada has been strengthened by this government since it got into this House? I can assure you this: it has weakened the Atlantic region, it has weakened the province of Newfoundland, it has engaged in a dastardly conspiracy and combination to put down the province of Newfoundland because the government of the province of Newfoundland will not bow and will not accept the dictates of this government. It had a chance in Newfoundland to assist in the field of economic development on a project in my own district, which I will mention briefly just once again, the project of providing a synchrolift for the federally-owned dockyard in St. John's, Newfoundland. It had a chance to assist in the dockyard that it owned that has a great chance for the future. It has been in operation now since the late 1880s. It was given to the Government of Canada as a gift in 1949 when we entered Confederation. This government made a pledge in 1978 to provide the financing for a synchrolift, a three-berth synchrolift, to enable that dockyard to continue to function and be successful in the future; to preserve the 350 jobs that were there and to increase that number by another 150 jobs. Yet rather than carrying that pledge out, and rather than spending the money provided by the PC government in the estimates to start that process of a synchrolift in the federal dockyard in St. John's, the Minister of Industry, Trade and Commerce (Mr. Gray) and the Minister of National Revenue (Mr. Rompkey) used the money for some other purpose and cancelled federal assistance for the federally owned dockyard in St. John's, Newfoundland, to provide the synchrolift. They left it to the province, and on Tuesday of last week, December 8, the government of Newfoundland announced a $30 million project at the federal dockyard in St. John's. The financing is to be made available by the province, $10 million in loans and subsidized interest, so that the CN, which operates that dockyard on behalf of the Government of Canada, would go ahead and award the contracts for the synchrolift project.

This is the government that promised to increase the economic might of Canada by strengthening each of the regions. It has deliberately attempted to damage the Newfoundland region because it does not agree with the policies or the statements of the government of the province of Newfoundland and has forced the government of Newfoundland, which is the least able to afford it, to spend money on a federally owned dockyard in St. John's so that that dockyard will be able to persevere in the future, so the 350 jobs that are now there would be saved and another 150 jobs would be created. If that is not the most shameful piece of economic poltroonery ever undertaken by a Government of Canada, I do not know what is. There could not be a worse example than this low, foul, political act of a government that was elected on the basis that they were going to increase the economic might of Canada by strengthening each of the regions.

Since I am referring to the Newfoundland region, let me look at another subject in connection with the Newfoundland region, and that is the so-called DREE agreements. The Minister of Regional Economic Expansion (Mr. De Bané) is never in his place in this House to answer questions in this House, and that minister has made it a deliberate policy not to sign agreements.

Mr. Caccia: Mr. Speaker, I rise on a point of order. I draw the attention of the hon. member to the fact that the minister to whom he just referred was in his seat today during question period.

Mr. McDermid: That is not a point of order.

Mr. Crosbie: The Minister of Regional Economic Expansion is more often not in this House than he is in this House, and we can check the records of the House since the session started last fall to see that he is never here to answer questions. He is afraid to be in his place to answer them.

Rather than trying to strengthen the regions, this is a minister who has eight DREE agreements pending with the government of Newfoundland that he has refused to sign. The premier of the province cannot get hold of that minister to get agreements signed. Last week that minister had the member for the district, the hon. member for Humber-Port au Port-St. Barbe (Mr. Tobin), announce that a surplus from an existing DREE agreement would be spent in Corner Brook when it was supposed to be spent there all along, under an agreement that I had signed with the province in 1979. There is a deliberate plan by this government not to sign DREE agreements with the province of Newfoundland. That is so that unemployment will increase in Newfoundland, so that economic pressure will increase in Newfoundland on the government of Newfoundland to bring that government to surrender its will and its independence to the federal government.

So while they bring in this kind of palliative bill which also gives them far too much power to designate industries and to designate industries in regions to allow political factors to interfere in their decisions, while they are doing that, we have seen a calculated campaign by this government to use in Newfoundland the discretion they have to crush Newfoundland as a region, not to develop jobs and not to develop its economy. I can go ahead and give further instances in a few minutes.

At the Toronto press conference the Prime Minister was not Prime Minister then. He was a lot more humble then. He was not the arrogant figure we have seen in the House these last few months with his fascination for the Constitution. Nero fiddles while Canada burns. He is fixated on the Constitution, constipated on the Constitution. There has been no other movement of the government except constitutional movements, and let the economy go. This was his fifth point:

● (1520)

—the Liberal party commits itself to enhancing the dignity and security of individual Canadians.

How? He did not say how. Further on he said:

We must endorse the right of every Canadian to have a job.

That was the pledge of the Prime Minister in that campaign, "We must endorse the right of every Canadian to have a job". What is the reality today? You can pick up the paper at any time, Mr. Speaker, and see what the reality is. For the week ending November 4, there were 979,000 people unemployed, an unemployment rate of 8.2 per cent over all nationally. In Newfoundland, my own province, there was an unemployment rate of 15.3 per cent. That is the official rate. In actual fact, it is somewhere between 25 and 30 per cent of the working population of Newfoundland that is unemployed.

Statistics Canada admits that there are 348,000 hidden unemployed in Canada not shown in the figures because they have given up looking for work. There have been no jobs so they are no longer looking for work. Newfoundland is the worst province for that. The participation rate declined last month. There were 50,000 people who dropped out of the labour force. If they had stayed in, the adjusted rate would have been 8.6 per cent. The actual number of people out of work according to the November 4 statistics was 928,000.

Does the Minister of Finance (Mr. MacEachen), who just brought down his budget, show any hope for the future? He does not. He forecasts for this year an average unemployment rate of 7.2 per cent. He forecasts for next year, after his tremendous budget is implemented, if it ever is, a rate of 7.8 per cent and in 1983 a rate for the year of 8.3 per cent.

In the last three months, we have been told by the Canadian Manufacturers' Association, more than 140,000 workers lost their jobs in Canadian factories, according to Mr. Roy Phillips. It is going to be a long, cold winter, said the spokesman for 8,000 manufacturers. The Ontario labour ministry says 67 plants in the province, 34 of them in the Toronto area, have already shut down. Another 89 have curtailed operations. On and on it goes.

The worst situation of all with reference to employment is in Newfoundland. This government, rather than attempting to help Newfoundlanders and the Newfoundland government overcome this tremendous problem of unemployment, has deliberately acted to decrease employment in Newfoundland by withdrawing federal assistance from a federal project, a federally-owned dockyward in St. John's and by refusing to enter into DREE agreements. It has refused to sign an agreement and spend transportation moneys in Newfoundland. It is now engaged in cutting off or reducing ferry service from North Sydney to Argentia. One of the two ferries will be taken off next year. It is going to reduce employment in the Argentia area of Newfoundland, one of the worst hit areas already with respect to employment in the whole island of Newfoundland. That is the Prime Minister's program when in office.

Let us look again at the hypocrisy. This is the most hypocritical and pusillanimous government this country has ever had and, in my book, the Prime Minister is the most reprehensible. This is what the Prime Minister said, and I quote from the *Toronto Star* of April 24, 1980:

—it's more important to create jobs and ensure economic growth than to reduce the federal deficit.

He has not passed that message on to Mr. MacEachen. I quote his exact words:

"We're not obsessed by the deficit in the same way as Mr. Clark's government was," Trudeau said at his weekly news conference yesterday.

"We will not reduce the deficit at the expense of creating more unemployment."

The Acting Speaker (Mr. Ethier): Order, please. I expect hon. members to respect the rules of the House and not name other members by name, but rather by the position they hold, their title, by department or the constituency name. I invite hon. members to comply with the rule.

Mr. Crosbie: I am just quoting from this press clipping which does not say "Prime Minister". It says "Trudeau said", but I will change it. Here is what the Prime Minister said, for those fastidious gentlemen opposite who hope to lip their way into power somehow in the cabinet. He said "We will not reduce the deficit at the expense of creating more unemployment." Why is it that his Minister of Finance has just brought in an allegedly deficit-reducing budget? He is going to reduce the deficit next year by approximately $3 billion. That is after a 54 per cent increase in indirect taxes.

This is the government that was so concerned about taxation in December 1979. It has increased its take in indirect taxes by $8 billion, or by 54 per cent between last year and this year. It has increased the total taxes taken from the Canadian people by 31 per cent this year. It is going to increase spending by 22 per cent. Therefore, there is going to be a slightly smaller deficit, almost $3 billion smaller, by the end of the year. This is the government whose Prime Minister said, "We will not reduce the deficit at the expense of creating more unemployment". He went on to say this:

> The government does not need to reduce the deficit to help the economy "because it is a healthy economy".

This dilettante does not worry about whether we have a healthy or unhealthy economy. Whether it is healthy or unhealthy is not going to affect him one jot or tittle, not one whit. He will still be there at 24 Sussex Drive. He will still have all his nannies and people to help him look after things no matter what happens to the Canadian economy. He is not going to retire. Of course he is not. He will need to have his hands pried off the door sills there and be hauled away after he is trounced in the next election.

Some hon. Members: Hear, hear!

An hon. Member: He likes the swimming pool.

Mr. Crosbie: Yes, he likes the swimming pool, but he will never pay for one of his own, that's for sure. The government says it wants a healthy and regionally balanced economic development in Canada. The facts are to the contrary. Why is the government now trying to seize from Newfoundland jurisdiction and control over the offshore minerals? Why has it put up a crimp in the offshore operations for the last 12 months by taking such a selfish attitude toward development of the offshore resources off Newfoundland?

This government has neglected the fishing industry. The fishing industry of Newfoundland is *in extremis*. There can be no rural economy in Newfoundland without a healthy fishing industry. The government has done nothing in the crisis of the last six months to help the fishing industry.

Fishery Products Limited, the largest employer in Newfoundland in the fishery, closed two weeks early for Christmas and does not know when it will again open in January because of the economic situation of the fishery. The Lake Group, the second largest Newfoundland owned company, has 2,500 employees. It buys fish from 1,600 inshore fishermen. There are 20,000 people who live in communities directly dependent on that economy, such as Gaultois, Grand Bank, Fortune, Bonavista, Feormeuse in my own district with 240 people now laid off, Englee, Bide Arm, Cook's Harbour, Baine Harbour. Those plants are not operating, except for the Fortune plant, and one day a week at Gaultois. There are 27 trawlers laid up by that company, which is in the hands of the banks. They are now waiting to hear from the Government of Canada, in particular the Minister of Fisheries and Oceans (Mr. Leblanc). Will the government provide $15 million by way of loans or grants or whatever to the Lake Group so that they continue operating? They want $15 million from the federal government and $5 million in assistance from the province. Why has this not been acted on? It involves 2,500 employees.

Look at the papers. We see that the government is going to have to pay $125 million flowing from loans and guarantees to Consolidated Computer Incorporated in the Ottawa Valley over the last decade—$125 million thrown away. They do not employ 100 people. The Newfoundland fishing industry with tens of thousands employed is about to collapse and this group across the way has not put forth one dollar by way of loans or guarantees. Does the Newfoundland fishing industry have to move to the Ottawa Valley to get some attention? What is the matter with this Minister of Fisheries and Oceans? Why does he not resign if he is not prepared to grapple with those problems? The government provides $125 million for Consolidated Computer Incorporated and not a red cent so far for the Lake Group which employs 2,500 in Newfoundland and is the sole support for 20,000 people living in communities along our coast. What is the matter with the minister?

● (1530)

How does that square with the pledges made in this election document? How does that square with the Constitution? What good is the Constitution to those 20,000 people who live in those communities? The 2,500 people who work for the Lake Group do not give a damn about the Constitution because it will not help them. It will not keep them employed one minute longer. In fact, it is responsible for their pending unemployment. It has occupied the minds and attention of the pea brains opposite for the past 18 months.

This same Lake Group has now got a contract to supply the Long John Silver food chain. The pirates opposite will be familiar with the Long John Silver food chain that was going to buy a large quantity of good quality cod if they could survive until next year. They have to be told now to know whether they will be able to send trawlers out in January to catch this cod to supply these contracts. They have not been fishing now for four months. What is the matter with the government? Do they not have any conscience at all? Does the Minister of Employment and Immigration (Mr. Axworthy) have any conscience? Or do any hon. members have a conscience? No. They only do for Consolidated Computers Incorporated, for Windsor, Ontario, or somewhere where they have districts. This is a district that is represented. Most of these communities are represented by the hon. member for Burin-St. George's (Mr. Simmons).

In addition to that, we have a situation in the mining industry in Newfoundland; for example, in Baie Verte. In the Baie Verte peninsula, Advocate Mines is closing down the asbestos mine that is owned by Johns Manville and the Eherit group at the end of this year. Six hundred and fifty people will be unemployed at the end of the year in that mining industry, not because there is not any asbestos fibre left, but because of the depressed condition of the world. Construction is down and one cannot get the price for asbestos. Also there are health concerns about asbestos that are lowering the use of asbestos around the world. Six hundred and fifty people will be laid off. Two hundred and fifty are now laid off with another 400 to go by the end of the year.

In the same town of Baie Verte, Mr. Speaker, we have Consolidated Rambler Mines owned by the Irving group closing down. They were going to close at the end of November with 200 employees. The copper mine was going to close because they are running out of copper or it is now low grade. They are operating month to month. Their schedule might end at any time. They are limping along, and certainly ending by the end of March, 1982. That is something like 850 people on that one small Baie Verte peninsula where 11,000 people live, 3,000 in the town of Baie Verte. What will be done for them? So far there is no offer of any assistance from the Government of Canada or from the Minister of National Revenue whose district this is. He is making attempts with the province to try to find another operator, but as yet there is no offer of any assistance from the federal government. What is the matter? Is it out of sight, out of mind? Does one have to live in central Canada to have anyone worried or concerned about them? What is the matter with the government?

What about the statement of the Prime Minister when he said:

> This party will not simply stand by and let the recession come; we will fight it and overcome it.

When will he start his fight and when will he start to overcome it? What if one of his trained seals over there bangs his flippers, smacks his paws together—he is used to having his paws up in the air begging for a little something from the old patronage trough. He should not be so quick to bang his flippers. He should insist that his leader carry out his sacred pledges. Of course, he would be awfully surprised if he did.

How is the economic might of Canada being increased? How are they strengthening each of the regions? Here is what the Prime Minister said:

> We will make the big projects happen.

Does anyone see the Alsands plant underway? Does anyone see Cold Lake underway? When are they going to happen? They have been there 22 months now. Then the Prime Minister goes on to say:

> Whether they be developing the fishery in the Atlantic—

All that has happened to the fishery is that it is a shambles, it is about to collapse. Since August most of the fish plants in Newfoundland have closed. Is that how this government increases the economic might of Canada and of Newfoundland? Is that how they develop the fishery? They are here tittering and tottering about whether they should give a $15 million loan or guarantee to the Lake Group which employs 2,500 people, when they are prepared to give $125 million to Consolidated Computers Incorporated, because, to the illiterates opposite, if one were to mention "computer" their eyes shine and they think they are on to something wonderful. They think it is the wave of the future. Let us call it "Fishery computer" or "Lake Computers Limited". Would it do the trick if we were to change the name from the Lake Group to "Lake Computers"? Then we would see the Minister of Industry, Trade and Commerce jump up and they would have $100 million in no time, particularly if they agreed to move to the Ottawa valley, Windsor, Hull, or somewhere in the province of Quebec or in Ontario, to the great central Canada. That is not the kind of economic development we were led to expect.

Is it finished for Baie Verte? That is what the article in the paper asks. Are they finished there or will there be some plan of action announced by the Government of Canada that is supposed to represent all of Canada, that has the financial resources to do something? Rather than then doing something, they are trying to assign the responsibility to the provincial government. It is a province that already has the least in the way of financial resources in Canada, that is badly squeezed for funds, that this government has been punching in the stomach financially for the last year and a half, refusing DREE assistance, refusing transportation assistance, refusing economic assistance, refusing assistance to federally-owned facilities in the province that they got for free at the time of confederation. This government has punched this province insensible. They are now trying to say to them: "If you want the Lake Group saved, you save the Lake Group. If you want Advocate Mines saved, you save Advocate Mines. If you want Consolidated Rambler Mines saved, you save Consolidated Rambler Mines." On and on it goes.

The siren will not be its death wail. The town of Grand Bank will not wait to see what will happen. The Great Lakes fish plant in Grand Bank has been closed since August. Five hundred men were thrown out of work. The Lakes trawlers are tied up in Grand Bank. They will not allow any of the trawlers out until they have assurance that the Grand Bank fish plant will operate again. If they leave the town, they die. If they leave, the town will die. If Lakes go under, the town of Grand Bank will likely die, the Town of Fortune will likely die, Gaultois will certainly die and Feormeuse will certainly die, unless someone else takes them over. With today's financial and economic situation in the fishery industry of this country, who will take them over?

Today we are dealing with a puny, insignificant, and palliative bill, when we should have a program that this government presents to the House for the economic development and progress of the country. How does the government propose to meet the recession that is well under way? When will the government come clean and withdraw that dastardly budget of November 12? How amused I feel at times to watch the Minister of Finance swallow himself. He is getting read for a

big gulp. He wants to do it when this House of Commons has recessed. He wants to announce the changes that he will make when we are gone. He hopes he will not be discovered.

Or will he wait until February, Mr. Speaker, and introduce a new budget? Will the Minister of Finance say: "I did not realize there was a recession coming when I brought down my old budget. My officials did not tell me about this recession. I brought in a budget that was not going to look after a recession but now I will bring in a budget that will really look after the recession, which will really get it going." Then he will bury in his budget all of these things that have so aroused the anger of the people of Canada. In every nook and cranny of Canada the people are angry; in every segment of society they are angry. One cannot speak to any one of them because they are angry. They want to put the boots to this government. They want to put the boots to Mr. MacEachen, to the "Minister of Finance"—I should not use his name. We do not want him identified because it is not safe for him to go around if he is identified. They are waiting to get at them. They are waiting for an election to be called. They cannot wait for it to be called.

Now, will he introduce a new budget in February? Or what will the minister do? He is so used to playing his cards close to his vest that he suffers from ingrown cards! That is why the department did not know what he was going to do. He did not know what the department was suggesting that he do. He just wanted to pretend to Canadians that he was reforming the tax system. He was too clever by half, Mr. Speaker. He was going to make us all forget the fact that the budget did not do anything about the recession by talking about tax reform. He thought that he was putting the boots to the wealthy. Instead of that, he was putting the slippers to everybody. He was putting it to everybody in Canada. He did not understand. He is a bachelor, Mr. Speaker, and he does not have to worry about his retirement benefits because he will receive the full benefits that a member of this House receives when he retires, and the minister will be retired after the next election. He will receive the maximum benefits. He does not have to worry about that. Why should the Minister of Finance have to worry about RRSPs? He has far more than an RRSP would ever give anyone. Why does he have to worry about deduction of interest on an investment that one might make in some risk-creating opportunity in Canada? He has never made such an investment. He has been in the cocoon of this government. He has been nuzzling at the bosom of the Government of Canada all during his working career; he has not had to worry about risk taking. He does not understand what is risk taking. He has never had to take a risk.

● (1540)

Some hon. Members: Order, order!

Mr. Crosbie: Order! There is another group of sucklers at the bosom of the state. The sucklers had better not start heckling. He did not understand that these provisions would be a savage attack upon our system in Canada as we have known it. Now he will have to change it. He will have to give some assistance to the risk taker. He will have to give some assistance to people who are saving for their retirement. He thought he had taxed the life insurance companies. He does not understand that if he taxes my life insurance policy he is not taxing the life insurance company; he is taxing me on what I hope to save for my retirement.

Some hon. Members: Oh, oh!

Mr. Crosbie: If some of the loud mouths opposite would just speak to cabinet ministers in caucus, as they should, then I think the country would be far further ahead.

Mr. Collenette: Read the bill.

Mr. Crosbie: They come around and they mutter to us. They say how disappointed they are at the budget and how angry they are with the Minister of Finance, but they do not dare say "boo" to the Minister of Finance because he would give them the flick, and their noses would be out of the patronage trough and they would starve to death in no time. They will not make a noise. They will not make a sound as long as the patronage trough is right in front of their snouts. It is only when that is removed that we will hear from hon. gentlemen opposite.

Mr. Collenette: Speak to the bill.

Mr. Crosbie: The hon. member can speak to the bill when he gets his chance to speak to the bill.

Look at this headline: "Gloom is busting out all over as industrial investment drops". E. P. Neufeld, who was the assistant deputy minister for taxation, now chief economist for the Royal Bank of Canada, said that we will have to borrow $886 billion internally in the 1980s through profits and depreciation on the business side to finance economic growth. He added that another $144 billion would have to come from foreign borrowings. This is the government that is so full of muscle when it comes to foreign investment. This is the government that got itself into so much trouble in the last 18 months that it had to drop it and be good boys when Uncle Sam leered at them. Uncle Sam waggled his moustache at them and they had to change their tune quickly. We will have to borrow $144 billion outside Canada to meet our needs for expansion in the 1980s. We can ill afford to be thumbing our nose at the foreign investor. We can ill afford to thumb our nose at the U.S. investor.

We will have a deficit in the balance of payments on the current account this year of $9 billion or $10 billion, the largest ever. We are living off the rest of the world. Under the Liberal regime for the last seven years, up to 1980, they had $26 billion in deficits in the current account of the balance of payments with the rest of the world. If the rest of the world was not prepared to lend us money, if it was not prepared to invest money in Canada, the Canadian dollar would not have been worth one copper, not one nickel, not ten cents. The only thing which kept the value up was the fact that foreigners and Americans outside Canada were prepared to lend us money or invest here in Canada. Then the genius Minister of Finance,

the genius Prime Minister and the genius government turned around and thumbed their noses at the outside investor. They thumbed their noses at the U.S. investor and said that they did not want them, that they did not want the private sector and that they only wanted government ownership and control. That is why the Canadian dollar went down. That is why interest rates went up in the last 12 months. Had we been in office, they would have been 5 per cent or 6 per cent lower, at the very least, than they were in the last 12 months, and we would not be dealing with any recession today. There would be no recession underway in Canada today. The country would be far stronger if the government and its NDP allies had not acted so precipitately. There is not a finance minister in the country—

Some hon. Members: Oh, oh!

Mr. Crosbie: Members of the NDP, the little red rump, had better keep their mouths quiet. The hypocrites go across the country moaning about unemployment and about the recession which they caused by putting the Liberals back in office. They are fully responsible for it. There is not a minister of finance in the country who has not condemned the budget. The Ontario treasurer, Mr. Miller, an impartial observer, put the boots to my budget. He put the boots to my budget within 12 hours after it was brought down. He is an impartial observer who said:

—Allan MacEachen's November 12 effort poses a real danger to Canada's staggering economy.

He called on him for a new federal budget. The Ontario treasurer has already shown his impartiality. He never said anything like that about my budget. No, my budget was fantastic. They are erecting statues to me in all public squares across the country because my tax was only 18 cents per gallon and they have taxed people 45 cents per gallon since.

An hon. Member: And it is still going up.

Mr. Crosbie: The British Columbia finance minister, Hugh Curtis, said:

—if the budget had been written by an enemy of the state it couldn't be much worse.

If it had been written by an enemy of the state! Well, it was written by an enemy of the state; it was written by a minister who does not understand or cannot comprehend how the Canadian system works, who does not understand that we depend upon the risk takers, who does not understand that we depend upon Canadians to look after themselves as far as they can with respect to life insurance, retirement benefits and the like, who turned around and said that he was choking off tax loopholes. Well, the Canadian people will now get a loophole around his neck. There will be a battle to see who pulls on the other end of the loophole to choke off the Minister of Finance, who so little understands the system that he thought that he was cutting off loopholes, all of which were instituted by his own colleagues and his own predecessor ministers of finance. They called them tax incentives then. In his new budget within the next few months the Minister of Finance will be calling them tax incentives again. As he changes them all around again, he will be talking about the tremendous incentives he has given to investment, that one is now allowed to deduct the interest which he did not allow one to deduct back on November 12, and on and on it will go. This whirling dervish of a finance minister, we do not know what skirt he will drop next, nor does he. He does not understand the system.

The Nova Scotia finance minister, another impartial observer said:

—with a poor economic situation it's a very poor time to put on the brakes.

Unfortunately the brakes are not even put on. Then the newest finance minister, the NDP finance minister from Manitoba, got a dig in at the Minister of Finance. He said, reported in today's Ottawa *Citizen*:

I hope a new budget is one of his considerations.

I hope the federal party gets the hint there. Sometimes they have to be given hints from the Premier of Saskatchewan as to what they should do and say. I notice their own leader is not in the House today. We all miss him. I suppose he is off getting instructions from the Premiers of Manitoba and Saskatchewan.

What we see is a government that is politically motivated by politics, completely motivated by the worst kind of revenge politics which takes its political spite out on the people of a province and a region because their government will not buckle under to its dictates or will not bend over when it comes calling. They have tried and they are trying to starve the province of Newfoundland. They are responsible for the tremendous growth in unemployment in Newfoundland. Newfoundland will not bend to them. The people of Newfoundland will not bend to them. The Atlantic provinces will not bend to them. We want them to carry out their promises.

We want to remind the Prime Minister, when he is next having one of his fund-raising dinners, of the promises he made about how he would fight and overcome the recession. He said in that speech that the Conservatives plan to increase unemployment by 100,000. That was a despicable untruth, I will call it. Then he went on to say that the Liberals would fight to lower it. Now we are up to 928,000 people actually unemployed, plus another 350,000 who do not show up in the statistics.

Mr. MacKay: He has made unemployment a growth industry.

Mr. Crosbie: Yes, he has made unemployment a growth industry, as my colleague suggests. The only growth industry in Canada under this government is unemployment, the ranks of the unemployed. Where are the big projects? The boastful Prime Minister said that he will make the big projects happen, that he will develop the fishery in the Atlantic. Now they have shut down over half of all the plants. He said that they would rebuild the railways in the west. What railways have they rebuilt? He was to doubletrack the railway from Winnipeg to Vancouver. Now it is the western development fund which nobody can find.

Mr. Taylor: He gave it all to the U.S.A.

Mr. Crosbie: He was to develop new manufacturing strength in Ontario and Quebec. Where is it? Is that Consolidated Computers which was just closed at a cost of $125 million? Is it Massey-Ferguson? Is it Chrysler? Where is the new manufacturing strength, or the expansion of British Columbia resource and trade potential? Half of the British Columbia lumber mill industry is shut down and its forest industry is now in dire straits. This is the government of dire straits. This is the government which has produced in Canada a condition of dire straits. This is the government which will campaign in the next election on the basis of "Vote Liberal, we will guarantee you dire straits".

● (1550)

This government that we face across the House today still has another two or three years to go. How long, Mr. Speaker, can the people of Canada endure this dire straits government? How long will they endure it? How long can we endure this dire straits government? Not a minute more if we could only encourage it to go.

The Acting Speaker (Mr. Ethier): Order, please. I regret to interrupt the hon. member but his allotted time has expired.

Mr. Crosbie: In closing, Mr. Speaker, I want to thank hon. members for their close attention and hope they benefit from these few words.

Some hon. Members: Hear, hear!

Mr. Sid Parker (Kootenay East-Revelstoke): Mr. Speaker, I welcome the opportunity to speak today on behalf of the New Democratic Party. I should like to open my remarks by congratulating the Minister of Labour (Mr. Caccia) on his appointment, but I must say I had hoped he would bring forward a more progressive piece of legislation as his first bill than the one he has presented today.

This party is generally willing to support any legislation which offers some protection to workers. The government is deliberately creating a recession, however. On December 9 the *Toronto Star* reported that 140,000 factory jobs have been lost in the last three months.

I listened to the remarks of the hon. member for St. John's West (Mr. Crosbie) about the New Democratic Party being hypocritical. I just want to say to him that if any party in this House is hypocritical it is the Conservative Party of Canada! Not long ago when it was in government, the hon. member for York-Peel (Mr. Stevens) stood in the House and said that he could do away with as many as 60,000 civil service jobs. And the hon. member for Rosedale (Mr. Crombie) stood in the House and said that there should be lay-offs for a six month period, that certain things should be done and studies made. That is the kind of government that party was.

It was the people of Canada who defeated the Conservative party, although the New Democratic Party with its policies and programs gave the people an opportunity to examine those of the Conservatives.

Mr. Taylor: Look at what you got. Are you proud of yourselves?

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

The Acting Speaker (Mr. Ethier): Order, please. It is very difficult for the Chair to hear the remarks of the hon. member.

Mr. Parker: Mr. Speaker, I should like to examine the contents of Bill C-78, which is an act to provide for the payment of benefits to laid off employees and to amend the Canada Labour Code. That sounds innocent enough until one examines the bill. The government wants to set up a labour adjustment benefits board; it wants to adjust policies and programs that it has not had the initiative to correct before this. It wants to bring in a band-aid bill to help provide some relief.

Let us examine the limited relief that this bill would provide, Mr. Speaker. In order to qualify for relief, an area would have to be designated. A qualified employee would have to be a Canadian citizen or a permanent resident of this country between 54 and 65 years of age or between 50 and 54 with 30 years' service in the industry. He would have to have been employed for ten years out of the past 15 in a designated industry. He would have to have been laid off in an action affecting 10 per cent of the work force or 50 employees. Imagine how many people those provisions will help when 140,000 people in the manufacturing industry have been laid off in the last three months.

In his opening remarks the minister indicated that the Canadian Labour Congress is sympathetic to the bill. I should like to put on record some recommendations offered by the Canadian Labour Congress. They are as follows:

> One year advance notice of plant closures and major lay-offs and six months for lay-offs of less than 50 employees.

That sounds reasonable enough.

Further recommendations are:

> All lay-offs must be justified in hearings before a Job Protection Board.
>
> Before lay-offs take place, the employer must consult with the union on ways to avoid job loss; if lay-offs cannot be prevented, an agreement must be reached with the union covering the terms of the lay-off.
>
> Standard hours of work must be lowered through collective bargaining; all overtime work must be voluntary; overtime pay must be increased to two and a half times the regular rate.

These are constructive proposals, Mr. Speaker. At various times in this House I have put forward a program regarding the railway industry. This government has not seen fit to bring in legislation covering the working hours of employees; consequently, they are being forced to work as much as 11 hours while at the same time lay-offs are taking place all across Canada. I think that is a shame. The government should look at areas where job opportunities exist and not force people to

work up to 11 hours in the operating trades of the railway industry. The next recommendation is:

Severance pay of one week per year of service.

Is that too much to ask for an employee being laid off? Other recommendations follow:

Relocation allowances to be paid by the employer in case of lay-offs.

Compensation payments to the community affected by lay-offs may be paid out of a special fund into which employers contribute.

I think this is a very important point which has never been examined. When lay-offs occur in small communities it becomes a local disaster, and those communities have difficulty in maintaining their schools, recreation facilities and the normal services that they provide. This bill still only proposes to designate a few employees and leave the others to try to maintain themselves and their communities. That is wrong, Mr. Speaker, and the Minister of Labour must identify those areas. The next recommendation is as follows:

A grant-levy system to ensure that all employers contribute to the cost of retraining workers.

I think that is an excellent proposal and it should not be too hard to reach agreement on it. The final recommendation is:

Changes in pension legislation to improve vesting rights and ensure portability of pensions.

These are the recommendations of the CLC to the Minister of Labour, Mr. Speaker, so I think he was wrong in his opening remarks when he said that the Canadian Labour Congress was basically in sympathy with the bill being presented.

We in this party are skeptical about the bill, Mr. Speaker. We believe that there are serious problems with lay-offs. The Minister of Labour should bring in legislation to retrain people and to find ways of keeping employment going. The lumber industry in British Columbia is a prime example of where this is needed. That industry is staggering, the country is in need of housing, but the Minister of Labour appears to want to designate such areas as ones that may qualify for some adjustment assistance.

● (1600)

How would it come about, if someone were to be able to get under those kinds of programs? If it were a designated area, and if someone were trying to participate in the program, he would want to use the rules of the Unemployment Insurance Commission. If the commission were in doubt, it would put the member before a board of referees. We all know about these boards of referees. It is a great system! A board has an employee representative and a commission representative sitting on it, and a chairman is selected. It sounds like a reasonable approach and one which should work. However, time after time we have seen a board of referees hand down a unanimous decision that someone qualifies for benefits, but the commission has made that person go to an independent umpire, one person sitting and making judgment and, nine times out of ten, the judgment is in favour of the commission. That is the way the commission wants to conduct the appeal procedure when there is something in doubt. I think that is wrong and this portion of the bill must be corrected.

A portion of the bill increases the notice period of lay-off to 16 weeks from the current eight weeks and makes a shift adjustment in severance benefits to a maximum of five days. Again, it is weak and it is not sufficient. It needs many changes.

We in this party are opposed to Bill C-78. We will be fighting against it in committee. We will be asking witnesses to come forward to present their concerns. In fact, we will be trying to improve the bill and to bring about some other recommendations which we think can help bring about some programs which will be acceptable and will meet the needs of all people who are laid off, not only the very few. Hopefully the government, in its wisdom, will also bring about a bill to include training and other aspects under this program which will help find other areas in which people can relocate. We think it is very important that the government move very swiftly to bring about needed changes, instead of this band-aid approach which it has put before us here today.

Some hon. Members: Hear, hear!

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, I might seem to be a little out of place this afternoon because it is my intention to speak on the subject matter of the bill. That has not yet been done.

Some hon. Members: Oh, oh!

Mr. Nickerson: However, if Your Honour would excuse me, there are some things I would like to speak about dealing with the Canada Labour Code, which is one of the matters contained in the bill before us. There are basically two parts to this bill, one dealing with labour adjustment benefits and the second dealing with amendments to the Canada Labour Code. However, first of all, because on occasion I tend to speak for too long and am not able to say everything I would like to say, I want to address myself to some omissions in this bill, some amendments which might be made to the Canada Labour Code but which are not included in this bill. I refer to amendments which might prove very beneficial to the Northwest Territories concerning matters which my constituents and people in other parts of the Northwest Territories have tried to accomplish for very many years.

The Canada Labour Code is divided into various parts which deal with different aspects of labour law. For instance, Part III deals with labour standards. As matters rest at present, the Northwest Territories is treated in the same manner as any other jurisdiction in Canada. They are able to pass their own labour standards legislation. In fact, they have done a pretty good job with this. We have heard very little complaint concerning labour standards in that area of the country. It is good that we should be able to do this, because some of the conditions of labour in remote areas of Canada and northern Canada are quite different from those which exist, say, in the metropolitan areas of Toronto or Quebec.

People are engaged in different types of activity and there is need for a different way of approaching labour problems.

One of the things we tend to find in that part of the world is that people come into a certain area for several weeks and work long hours because there is nothing else to do with their time off, and then they take the next two or three weeks off in their home communities. Under our labour standards ordinance, that type of activity is allowed.

Part IV of the Canada Labour Code deals with safety legislation. Again, the territories enact and enforce their own safety ordinances. I am pleased to acknowledge the fact that, within the last few months, the territorial government has taken over the administration of the mining safety ordinances. For a long time this has been territorial legislation, but its administration was in federal hands. It is a step in the right direction that the territories have now taken over that aspect of administration.

However, we now come to Part V of the Canada Labour Code. As all hon. members of this House are aware, Part V deals with labour relations. It deals with conciliation, with mediation, with certification of unions and all these types of things. Under Section 108 of Part V of the Canada Labour Code, this part is not treated the same in the territories as the other parts. The territorial authorities are prevented from enacting their own legislation dealing with mediation, conciliation, certification of unions and all these types of things which, in a province, are done by the provincial government. For many years, there has been a feeling, for two reasons, that we should proceed with amendments to the Canada Labour Code to allow the territories to take over that area of jurisdiction. I am sure that, in the first place, the reason they were not allowed the same rights as other provinces was largely an oversight.

There are two reasons, and the first is really political. Everyone knows that the territories aspire to provincial status. It is a step in the right direction to take on these additional responsibilities. Judging from the manner in which they have conducted their affairs under Part III and Part IV of the Canada Labour Code, it seems quite reasonable to suppose that they would do an equally good job under Part V.

The second reason is a more practical reason. The people who work for Labour Canada, such as conciliators, mediators and everyone else, generally do a pretty good job. We are fortunate in this country to have good government employees doing those jobs. However, they are always concerned with the great national issues. If there is a strike in Vancouver harbour, they will obviously be very concerned with that and try to get it resolved. If there are problems on the railways—and there are likely to be many more with the present Minister of Transport (Mr. Pepin)—they will be concerned with that. A strike of garbage workers in a small municipality in the Northwest Territories or a strike in a small mine which does not really affect the whole affairs of the nation will not receive the attention that it deserves. Such a strike is remote, it is out of the way, it is not a great national problem, and it will always be put in second place. The same is true when it comes to certification of unions. There are always hundreds of thousands of employees with federal undertakings which must be looked after in the south, while 50 members of a local union somewhere in the north just do not really count for that much in the general scheme of things. It would be good for practical reasons to have this take place.

● (1610)

The idea of this transfer of authority receives the support of practically everyone in the territories. It was supported by the seventh legislature of the territories, by the eighth legislature and now by the ninth. Various legislatures over a period of 15 years have continued to ask for this, and I hope they will achieve these goals in short order. The move certainly has the support of the labour unions in the Northwest Territories, and as far as I know it has the support of employer organizations. I have heard members of chambers of commerce speaking in favour of that move.

In fact, I have with me here today a letter I received from Mr. Christopher Reid, president of the Northwest Territories Teachers' Association. He addresses himself to this very issue and suggests that the problem could easily be rectified by amending offending Section 108 of Part V of the Canada Labour Code, and he suggests the following wording:

> This part applies in respect of employees who are employed upon or in connection with the operation of any federal work, undertaking or business, other than a work, undertaking or business of a local or private nature in the Northwest Territories, and in respect of the employers of all such employees in their relations with such employees, and in respect of trade unions and employers' organizations composed of such employees or employers.

I think that is an excellent suggestion.

You are probably aware, Mr. Speaker, of a rather famous case that occurred a few years ago when there were some labour problems in a municipality in the territories, in the city of Yellowknife. If you read existing Section 108 you might, had it not been for the court ruling, have interpreted it to allow the territories to enact their own legislation. As a result of that case, where a municipality was found to be a federal undertaking in the territories that interpretation was cut out. It is now necessary to amend the Canada Labour Code. The process for doing this would be fairly easy.

There should be negotiations between the Government of Canada and the government of the territories. The territories should bring in their own legislation governing certification of unions, etc., and the amendment to the Canada Labour Code should be made by this House. They could both then come into force as of the same day so there would be no period when workers would not be covered in that area of jurisdiction. That is my submission with respect to Part V of the Canada Labour Code.

I would now like to get back to the subject of Bill C-78, to provide for the payment of benefits to laid off employees and to amend the Canada Labour Code. You will recall, sir, that this was originally brought in as part of a supply bill, a very sneaky back door way of doing these things. Madam Speaker, when this was brought to her attention, quite correctly ruled that the government was trying to get away with something it

should not, and should come back with a bill. The government was making major changes in direction, and it should not use supply bills for that purpose. I think Parliament is pleased with that ruling, and I would hope the government would not try such reprehensible action again, but would be honest with this House when changes in government policy are intended.

We have undertaken not to debate this measure at great length because the general idea behind it of helping certain types of workers who, on account of their age, find it very difficult to obtain new employment in certain regions, is something like motherhood; you cannot really argue against it. We look forward to rapid disposition of this bill at second reading, and to getting it before the standing committee where it can be looked at in detail.

I have a concern with this bill in that what it is really is an attempt to plug up holes. We see the government doing this all the time. Its over-all policy is one which leads to a lessening of industry in Canada. We have been experiencing a recession now for some time, and instead of trying to get the economy of Canada going again, instead of bringing in correct tax measures, instead of making it attractive for people to invest in Canada, what the government is saying is that the present system is okay, that it may look as though it does not work and has not worked for the past 25 years, but one should still have confidence in this Liberal approach to the economy. All that has to be done is to stuff this little hole here and plug up this little hole there. That is what they are doing with this bill. Pretty soon they are going to run out of fingers and toes to plug up the holes in the dam. Everything is going to break loose and the government will not be able to put in these stop-gap measures any more.

What we need in this country is a policy to encourage economic expansion. As the hon. member for St. John's West (Mr. Crosbie) expounded in great depth, the present government is just not doing that. This government is unable to turn its mind around from the mistakes of the past 18 years.

The type of bill we have before us today is typical of Liberal legislation. It is extremely complex. To make these provisions for these laid off workers it takes 33 pages of text in the bill. I do not know if any of the workers who are supposed to benefit from this bill, if it becomes law, will understand it. Let me just quote from Clause 15 to show the verbosity of the wording of this bill. It states:

> 15. (1) The weekly amount of labour adjustment benefit payable to a qualified employee shall be adjusted each year so that the amount of the benefit payable to the employee for a week in any year following the year in which his effective date of lay-off falls is equal to the amount obtained
>
> (*a*) by multiplying
>
> (i) the initial amount of the benefit as determined pursuant to subsection 14(1)
>
> by
>
> (ii) the ratio, rounded to the nearest one-thousandth or, where the ratio is equidistant from two one-thousandths, to the greater thereof, that the Pension Index for that following year bears to the Pension Index for the year in which the effective date of lay-off occurs; and
>
> (*b*) by rounding the product obtained under paragraph (*a*) to the nearest cent or, if the product is equidistant from two cents, to the greater thereof.

You tell me what that means, Mr. Speaker, because I do not know what it means. It is something like the Income Tax Act. I do not think there are ten people in the whole country who can understand what the Income Tax Act says. This is the type of stuff that has been supported by the NDP. They just love this type of thing, especially those shop stewards who walk around with one of these things in their back pockets. They like to get it out and look for every little loophole and then file a grievance. Shop stewards just love this type of thing.

An hon. Member: Maybe they can understand it.

Mr. Nickerson: Maybe shop stewards are a little smarter than the rest of us.

Mr. Ferguson: On a point of order, Mr. Speaker, could we get back to the topic rather than having a union discussion before the House of Commons?

Mr. Nickerson: I must say, Mr. Speaker, that my speech is a lot closer to the subject matter of the bill than some of the comments being made from the other side.

This is a very complex piece of legislation. It is highly technical and hon. members of the NDP just love this type of thing. There will be a need for regulations. The bill is 33 pages long and the regulations will probably be 133 pages long. There will be Treasury Board rules and Unemployment Insurance Commission rules. Everybody will get into the act, there will be a mound of paper that thick and nobody will really know what it says.

The idea of the Liberal government is that Parliament should go away. It does not need a Parliament. What it wants is a technocracy made up of people who are familiar with the rules and regulations and all the formulae which have tried to be interpreted into legislative language.

● (1620)

The government says we should let these people, under its control and given the general direction, come in and fine tune here, make a few changes there, manipulate Canadians and tell them what to do, make them go from office to office and tell them how much money they are eligible to receive, and then give them their training grants. The idea behind this legislation is just to keep people under control.

Why cannot Parliament, through the elected representatives of the people of Canada, come up with a simple system? Inherent in this bill is a system of duplication. For example, someone who is laid off cannot simply go to an office to fill out the forms to indicate his predicament and then become eligible for benefits. He has to go through the procedure twice. First, he has to go to the Labour Adjustment Review Board. He has to get a piece of paper from them which certifies that he, indeed, was employed by the specified industry which meets the government rules and regulations and guidelines. He then has to take that piece of paper from the Labour Adjustment Review Board to the UIC office across the street. There he has to fill out more forms which are about ten pages thick and submit that file to see if he is still eligible. People in this

situation will get the run-around from one office to another until they become so despondent over the process that they will probably never bother to apply for these benefits, for whatever they may be worth.

The government will set up more boards and committees because the Liberals thrive on boards and committees. It is jobs for the boys. Every piece of legislation they bring before the House gives them the opportunity to make more jobs for the boys, occasionally for the girls too. I am pleased to see they are improving somewhat in that respect, at least.

Mr. Ouellet: Are you sure?

Mr. Nickerson: As the former postmaster general says, sure. He knows about this.

Mr. Ouellet: I am asking if you are sure. You do not look very sincere.

Mr. Nickerson: As an illustration of the way in which the Liberal Party of Canada is progressing, one of the recent appointments made by the former postmaster general to the board of directors of Canada Post was a lady who is president of the Western Arctic Liberal Association. That is a perfect illustration that the Liberals not only have jobs for the boys, they are also giving some of the jobs to the girls and I thank him for bringing that to my attention.

If you are talking to someone who will be laid off from one of the designated industries, the first thing he will ask is, "How much will I get out of this?" When discussing this with the Canadian taxpayer who will foot the bill, the first thing he will ask about the bill is, "How much will it cost? How much will I be paying the person who is laid off? I do not mind helping out a little, but how much will it cost?"

When I study this bill, I find that the very basic and fundamental piece of information which people want to know about is not there. The very thing that people are most concerned about in this type of bill does not appear in it. It does not indicate how much a laid-off worker will be eligible to receive. It is to be computed by one of these long, Liberal formulae made up of all sorts of calculus and algebra, computed on the basis of all kinds of rules and regulations which have yet to be made.

My next concern which I feel should be dealt with at length in committee is that this bill will create two classes of unemployed. First, there will be those people who are over 54 who have been laid off but are fortunate enough to be from a designated industry. Not all individuals will be treated the same.

There are many rules and regulations which must be met in order for an industry to be designated as certifiable or not. Those who are laid off from a designated industry will be fortunate as opposed to an individual who is out of work but is not eligible because he was laid off from a different type of industry. An illustration of this would be to consider two individuals aged 55, one working in a shoe factory and the other in a sawmill. Because the Liberals have put mortgage interest rates too high, no one can afford to build a house and the person working in the sawmill is laid off. He does not have any money and does not know where his next meal will come from. On the other hand, the government may change the tariff quotas, thus putting the person working in the shoe factory out of work. But in all probability the shoe factory will be designated as a certifiable industry and that worker will be eligible for all those benefits—even though we do not know what they are. The unemployed sawmill worker will not receive a nickel.

I believe this may lead to all sorts of discrimination and other actions which are not in the best interests of Canadian unity. If you are the shoe factory worker—which a lot of Liberals should be—and you see this industry failing, you know that in a couple of years you will be looked after by the government. Therefore, there is no incentive to seek retraining or perhaps to go to Alberta to get a job on an oil rig which is going to the United States anyway. It is more advantageous to stay put and wait for a government handout while everything goes down the drain. This is a built-in inequity and an incentive for inefficiency.

Of particular interest to me and to people in my constituency are those who find themselves in the same position as those contemplated in this bill. There are many people aged between 55 and 65 years old who, through no fault of their own, have been left aside by the modern world. They are people who were born into a tradition of hunting, trapping and living off the land. The wage economy in the modern world has caught up with them and passed them by. Many of these people really have nothing to look forward to. They do not speak English and it is very difficult to learn in later life. They do not really have any marketable skills and there is nothing for them to look forward to until they are eligible for the old age pension. To me, it would seem very unjust if people in Montreal and Quebec City who worked in the textile mills and shoe factories were looked after at government expense, providing early retirement for them while the people in my constituency, for whom I have a great deal of concern and much appreciation of their difficulties, are not looked after. They are once again in a position where they have been cast aside and the government is taking no particular interest in them. It is tantamount to telling some Canadians that they are expendable. I hope this problem will be resolved when this bill goes to committee.

I believe it must be realized that once legislation of this sort has been passed, there will always be pressure to expand it. An example of this is DREE. This program was introduced in a few small areas of high unemployment and people in adjacent areas want to have it expanded. Then somebody else put up a good case, so we end up now with a system whereby DREE operates virtually Canada-wide.

• (1630)

We will have to be somewhat careful about the pressures which will be put on the government to expand this program, if it is ever put into effect. It will only be natural for unions to push for the same provisions to be applied not only in initially

designated regions but also, eventually, across the country. With respect to the 54-year limit, we can expect pressure to be applied to reduce that to perhaps 50 years or even 45 years. That is something about which we will have to be pretty careful when we are looking at the labour adjustment benefit provisions in this bill.

I will say just a few words about the second part of Bill C-78, which deals with amendments to the Canada Labour Code. I spoke earlier on in my presentation, about amendments I would like to have seen and now I will say just a few words about the amendments contained in the bill. The first one deals with notice of termination. At the present time, as I understand it, if an employer has 100 employees, he has to give eight weeks' notice. If he has 100 to 300 employees, he must give 12 weeks' notice. If he has over 300 employees, he must give 16 weeks' notice. Under the new provisions, 16 weeks' notice of termination is required of all employers if they intend to lay off 50 or more workers within a period of, I think, four weeks. My initial reaction to this is that I think soon we will see numerous blocks of 49 workers at a time being laid off from various industrial concerns. However, whatever figure we choose, I suppose there will be that problem.

I listened carefully this afternoon to the submission made by the New Democratic Party. New Democrats always have at heart the concerns of employees, particularly those represented by labour unions. It is my submission that perhaps members of the New Democratic Party go just a little too far. The more difficult we make it for employers, the less likely they are to start up plants or make new investments because they know that if they have to terminate, they have to go through this very expensive process or the process suggested by members of the New Democratic Party. If we make termination requirements too tough, perhaps we will not be doing employees a favour. We will not be doing labour a favour because by decreasing employment opportunities over all we will be making it much more difficult for workers to get jobs in the first place. That is the way the economic system works. I know some members of the New Democratic Party think we can solve all problems by legislation, but we cannot suspend or annul the laws of supply and demand in the long run, and the laws of supply and demand relate to labour in the same way as they do to goods and commodities. That is a caveat I place on some of the remarks made by representatives of the New Democratic Party.

I like the idea of joint planning committees contained in the bill. When an industry is terminated because it can no longer continue and when people have to be laid off, in my opinion it is a good idea if representatives of both the employees and the employer get together and try to work out a system under which terminations can be made the least disruptive as possible and carried out in an orderly manner. I have some reservations about formal legislation dealing with this matter. It would be nice if we could think that by mutual consent employees and employers could enter into such arrangements, but when we pass very specific legislation governing this, we might on occasion be creating more difficulties than we are solving.

After reading through the provisions of the bill relating to joint planning committees some questions came to my mind. What powers under law would the joint planning committees have? That question is not really addressed in the bill. I would like to refer to Clause 32. The amended Canada Labour Code would read as follows:

> 60.15 On completion of the development of an adjustment program, the employer shall implement the program and the joint planning committee and any trade union or redundant employees who appointed the members of the committee shall co-operate with and assist the employer in implementing the program.

This gives some authority to the recommendations of the joint planning committee, but it is not at all specific. If the committee makes certain recommendations, there is nothing in the act which says upon whom they should be binding, how they are to be enforced—if, indeed, they are to be enforced—or if they are just recommendations. Proposed Section 60.15 suggests that there is something more than just recommendations. I think that item should be discussed in the committee so that we can find out exactly what should be the powers of a joint planning committee.

These, then, are my observations and recommendations with respect to Bill C-78. As I have said, we support its general concept but we have certain reservations about it. We feel the bill deserves careful consideration in the committee and is capable of considerable improvement. We hope the government will not only proceed with these stop-gap measures but will also make a real effort to promote growth in the economy and to get things going again in this country.

Of particular interest to me and to my constituents in the Northwest Territories—and I have brought this to the attention of Parliament before in respect to desperately needed amendments to the Canada Labour Code—is that the code presently excludes the Northwest Territories from enacting certain types of legislation. I thank Your Honour, and I thank hon. members of the House for their indulgence.

Mr. David Kilgour (Edmonton-Strathcona): Mr. Speaker, as the hon. member for Western Arctic (Mr. Nickerson) has just said, our party supports the principle of this bill. We think improvements can be made to the bill, and we look forward to making some of them in the committee.

What we are talking about here is like putting a patch on a tire. We think there should be a new patch on the tire, but the fact that the motor of the car is not working, the body is falling apart and the windows are shattered seems to be irrelevant. All of us are in favour of putting a new patch on a tire when it is not working properly, but—and I hope to get into this in a few moments—this bill is completely oblivious to some of the bigger issues.

I think somebody said earlier that this bill is like trying to put a bit of sand into a hole in a dyke when water is running over the top, around the dyke and through crevices. Here we are, 282 Members of Parliament, focusing on whether we should put a little bit of sand in the dyke. This bit of sand, I

am told, amounts to between $2 million and $2.5 million for the fiscal year 1981-82. The government's budget this year will be of the order of $76 billion, and here we are seriously discussing a bill which talks about spending $2.5 million. Considering our industrial and economic problems, this is bizarre and hypocritical and, in the larger scheme of things, an absolute waste of the time of the members of this House.

• (1640)

The bill should have been passed years ago. We should have long ago gone on to the more basic problem of trying to get the Canadian economy working again. I have here *The Globe and Mail* report on business. By coincidence, it is today's issue. There is a feature on Japan. One whole section is devoted to what the Japanese economy is doing right and, by implication, what the Canadian economy is doing wrong. On the third page there is an article entitled: "Hard work, labour peace help produce the miracle".

The Acting Speaker (Mr. Ethier): Order, please. The hon. member knows he is not supposed to exhibit any document in the House.

Mr. Kilgour: I am sorry, Mr. Speaker. I was not aware of that. I will hide it. May I do that, Mr. Speaker?

The Acting Speaker (Mr. Ethier): The hon. member can certainly quote from documents, but not exhibit them.

Mr. Kilgour: The article on "Hard work, labour peace help produce the miracle" talks about the Japanese economic miracle which has produced one of the highest standards of living in the world with almost no unemployment, an economy where there are desperately short of people to work. They are worried about their labour force working when they are too old. In Canada, we are trying to bring in a measure to assist those who lose their jobs because of our policy of deindustrialization in Canada, which the Liberals cram down the throats of Canadians wanting to work. We end up with measures like the one we are discussing. I quote from that article:

When asked to outline the key features of their labour-management system, Japanese businessmen usually mention several: the enterprise union concept; the lifetime employment system, and consensus decision-making. All three go together.

Why we cannot have some of these concepts in Canada is beyond me. We should have had them 15 years ago. A few pages later is an article headed: "Japanese system feels strain of changing work force", and I quote:

The Japanese work force is shrinking and the age of the Japanese worker is increasing, a trend that has Japanese companies worried.

That is hardly a problem we have to worry about in Canada with the way our economy is managed. On the next page is an article headlined: "Export curbs put brakes on Japanese auto production". It deals with some of the problems in the Japanese auto industry, which I do not have to tell hon. members is virtually flooding the Canadian market.

To digress for a moment, I am told that a substantial number of Lada cars are now being sold in Canada. These cars are manufactured in the Soviet Union. I believe they market for about $5,000 each. My information is that that represents approximately a full year's salary for the average Russian. That is the minimum. Those people across the way who are allowing the Lada cars to flood our market could be questioned under GATT as to whether that is an artificially low price. At the same time those opposite bring in a measure to help people who will lose their jobs in the auto industry in Canada with a type of retraining.

On another page we find an article entitled: "Japan's industrial success spurred by selective R and D". I quote:

"Research makes the difference," says the motto on shopping bags with the Sony label. It is an aphorism that helps account for the great leap forward not only at Sony Corp., rebounding from a slump that depressed sales and profits in the 1970s, but also at other high technology industries.

I need not say that R and D in Canada is desperately inferior by comparison. After passing this bill, we could spend our time seeing what we can do to encourage R and D. Further on is another article entitled: "Long term economic health tied to handling of surplus". I quote:

The Japanese economy will pick up in 1982 after a relatively sluggish performance this year, leading Japanese economists say. But its long-term health may depend on the country's ability to correct—without damage to itself—an enormous surplus on trade with the United States and Europe.

That is an economy dealing with its problems, dealing with them well and benefiting its people accordingly. I could go on. Suffice it to say that this one issue of the paper talks primarily about what the Japanese economy is doing well. There is an interesting chart in this paper which mentions what Canada imports from the Japanese and vice versa. I think it is fair to say that we export such things as meat, wheat, raw materials of various sorts and coal. In turn, we import from the Japanese products such as fabricated materials, steel, iron, cars, auto parts, telecommunications material, film, plates and that sort of thing.

One does not have to take a course in economics to know that if you want people to work after the age of 50 or under the age of 20, you are better to encourage those things which have a high technology and high labour side to them. This is an almost classical example, with Canadians exporting coal and the Japanese shipping back to us all manner of automobiles.

What are we doing in this bill? We are trying to help those who lose their job because of competition from Japan and other economies. We are trying to re-train them to cut fish, dig coal, cut trees or other things for which most are obviously not suited. I suggest we have the whole thing backwards. Similar to Lewis Caroll's "Alice in Wonderland", we are a bunch of serious people considering how to help those who are laid off, instead of considering measures that will get people working, the young, old and middle-aged.

There is no point repeating the arguments made by my colleagues. Obviously we are in favour of an aid program for mature employees who have been laid off as a result of plant shut-downs. Which Member of Parliament could oppose something that will help people in their fifties or early sixties who

have lost their job to be retrained and receive some benefits? Many of these people have given a lifetime of work to a particular firm or occupation. One would have to be a sadist to not want to help such people. I might mention in passing that it is a pity that many of the affected groups such as the Canadian Labour Congress, the various firms and employee associations were not consulted before the bill was presented to us. I hope they will have an opportunity in committee.

Let me refer for a moment to the unemployment situation in Canada. Our unemployment rate is in excess of 8 per cent. I forget exactly how much in excess. Most would agree there are roughly a million Canadians actively looking for work today. As we know, many of these people are young. However, there are many in their thirties, forties and fifties. It is an absolute tragedy that the government is actively encouraging higher and higher rates of unemployment in Canada. I recall a week or so ago the Minister of Finance (Mr. MacEachen) saying that we cannot worry about the rate of unemployment going higher, that we have to go on fighting inflation. The minister has introduced a budget which does nothing but encourage inflation.

• (1650)

I think I just mentioned that the hardest hit group of people unemployed is those between the ages of 15 and 24. As mentioned before, the number of jobs in Ontario decreased by, I believe it was, 140,000 in the month preceding December 9. From an employment standpoint, the situation in many parts of Canada, though not in Alberta, is absolutely critical. I have the figures in front of me but I will keep them out of your sight, Mr. Speaker. They were recently published by the OECD. They refer to the 24 countries that are members of OECD. For instance, in the area of industrial production for Canada, the tip of the graph for the year 1981 points virtually straight down, compared to that of the United States and that of Japan—Austria is bad—Finland, Norway, Belgium and even the United Kingdom.

When we turn to unemployment, we see that the situation in Canada—and again I am comparing the trends in the charts—is bad compared to that in the United States, Australia, Belgium, Austria, Finland, West Germany, Ireland, Holland, Norway, Sweden and even the United Kingdom. I should add that these figures appear to be approximately four months old.

Looking at total trade—and I am doing this just by a test of the eye—on a trend basis, Canada is bad compared to the United States, Japan, Australia, Sweden, France, Italy, Holland and Germany. And so on it goes. Canada is bad compared to virtually every industrialized country, at least in the OECD, whether one looks at agriculture, manufacturing or exports. It is self-evident that the Canadian economy is performing as badly as that of any country in the western advanced industrial world.

Given that fact, one might think—and I think everyone in the Chamber and every Canadian knows—maybe we would be trying to do something to find out why things are working in a country such as West Germany, Japan or many others. Why are things going so badly in Canada? Not a chance. We are here discussing a bill to help people by grants or retraining who are laid off. The reason the economy is as bad as it is is completely ignored. At a time like this, what do we do? Three weeks ago we introduced a budget which creates nothing but disaster for every conceivable sphere in the Canadian economy except the Canadian Bankers' Association and the Business Council on National Issues. Mr. Speaker, if you can tell me one other group in Canadian society that has one good word to say about the budget, then I would like to know its name.

Mr. Collenette: There will be 12 million taxpayers who will benefit.

Mr. Kilgour: I hear from the genius from York East that 12 million taxpayers will benefit. I can assure the genius from York East that if there were an election held today—and I really wish there were—he would not be back with us six weeks from now. Why does the hon. member not call an election on the budget if he thinks it is such a hot budget?

An hon. Member: There are not enough members here.

Mr. Kilgour: I have them grouped here by people such as home owners and renters. What about the renters in the constituency of the hon. member for York East (Mr. Collenette) who will see their rents probably double in the next two years?

Mr. Collenette: That is because of the government of Bill Davis.

Mr. Kilgour: What about the home owners in York East who will see their mortgage payments in some cases almost double, if they have not already doubled this year?

Mr. Collenette: Not true.

Mr. Kilgour: I would like to see the figures to prove it. If the hon. member can prove it to me, I would be happy to see the figures.

Mr. Collenette: You have to bring the proof.

Mr. Kilgour: I would like to know one single feature in this infamous budget that does anything to help pensioners or people who are on fixed incomes. I notice that even the genius from York East is silent on that point.

I do not have to tell you, Mr. Speaker, that the small business community, which incidentally were creating about two or three new jobs in Canada until recently, are apoplectic about the budget. The Canadian organization for small business, for instance, was quoted as saying that the animosity of the tax policy of the Minister of Finance for people in business is obvious. The Canadian Federation for Independent Business termed the budget "a very frightening document". It has been miscast as a Robin Hood budget. In fact, it takes from business and from middle-class and gives to the government.

In fact, I do not think anyone has been as incensed at this budget as the members of the small business community who

have been creating jobs better than anyone in our economy for several years. It is so obvious that one might ask: "Why are you telling us it is a bad budget?" Everyone in Canada except the hon. member for York East is now fully aware that it is a bad budget.

I refer now to one article in a recent issue which I received today. It points out that the lazy Minister of Finance (Mr. MacEachen)—and I challenge the Chair to name any hon. member in the House of Commons who is lazier mentally or physically than the Minister of Finance. I seriously challenge those members opposite to convince me that the Minister of Finance had the energy to read over his budget speech before he read it in the House on November 12.

Lawyers have pointed out that the budget contained a $700 million error in its calculation of the cost to the provinces of reduced federal contributions to shared cost programs. Normally people do not think lawyers need any defending in the House or elsewhere, but I am told that the 30,000 lawyers across Canada who will be taxed by this budget on work in progress have something like a billion dollars of work in progress which will be affected by this budget. The lawyers who represent companies and who bill on an interim basis do not find any difficulty with that—or less trouble—but lawyers who act for plaintiffs and lawyers whose clients are not so prosperous will be hit very hard by this.

I received a letter from a lawyer from Edmonton who has, in fact, run twice as a provincial Liberal candidate of my province saying that he would be forced either to break the law if this budget is enacted or he will have to consider leaving the practice of law. Incidentally, this lawyer acts for plaintiffs and rarely acts for clients who can pay on an interim basis. To say that I do not think he will be voting Liberal in the next election may not mean very much because most of the Liberals in Alberta have already been appointed to the bench; but that is one practising Liberal lawyer in my province who is sickened by the budget.

I also say that there is not one single, solitary individual in Canada, except for the member for York East, the Minister of Finance, the Canadian Bankers' Association and the Business Council on National Issues, who has anything good to say about the budget. Let me look for a moment at—

• (1700)

Mr. Collenette: At the bill.

Mr. Kilgour: The bill is so picayune, when we should be dealing with a range of other problems, that it is an insult even to the intelligence of the hon. member for York East.

Let me talk about the way in which the government approaches unemployment and creates it. Last summer VIA Rail services were cut by 20 per cent. As the House is aware, this party had a task force which went across the country and heard members of affected unions and affected employees in 13 cities. There were about 320 submissions from different groups and individuals. I should like to refer to some of the things those individuals who will lose or who have already lost jobs had to say about the compassion of the government opposite. For example, let me refer to Halifax, which suffers from unemployment more than most parts of the country. Ralph O'Donnell and Warren Hutt of the Canadian Brotherhood of Rail, Transport and General Workers said that the elimination of the Atlantic train would cost at least 240 jobs for people who are presently employed with VIA Rail and CN Rail in Halifax alone. I wonder whether this bill will affect any of those 240 employees, Mr. Minister of Labour?

Mr. Collenette: Address the Chair.

Mr. Kilgour: I am sorry, through you, Mr. Speaker. A VIA employee told the task force that anyone in Halifax with less than five years seniority would wind up on the lay-off list. Will the bill help these people?

In Moncton we were told by Robert Dennis of the CBRT and GW that numerous VIA employees, formerly with CN and CP, had agreed in good faith to give up their right to transfer their seniority back to those companies. Now they will lose their jobs. Will the bill help any one of these individuals? We were told that none of these people who would lose their jobs in Moncton would be permitted to transfer to the Windsor-Quebec City corridor in which new jobs would be created. Mr. Dennis said that the affected employees "feel they have been betrayed by the Government of Canada". Also we were told by one of the councillors of the city of Moncton that as an indirect affect 300 residents of Moncton who earn their living in real estate are now all but inactive because of the depressed market created by the VIA Rail situation. No one opposite seems to have taken the slightest interest in the people in Moncton and elsewhere in the maritimes affected as a direct result of the federal government action last summer.

In Quebec we were told by Hervé Villeneuve of the United Transportation Union the following:

> After 38 years in rail passenger service, I'm to go back on freight trains and be on call seven days a week.

This is the kind of compassion and concern displayed by the Liberal Party which sits in majority government today.

Also we were told by the Canadian Railway Labour Association:

> Otherwise, VIA Rail, for all its rhetoric, may turn out to be nothing more than a thinly-disguised—

Unfortunately the rest of the quotation is missing, but I think the association was referring to a thinly-disguised means to terminate rail passenger service in Canada.

We were told on the prairies by the same railway brotherhood the following:

> The CNR has already indicated that there are between 200 and 250 employees (in Winnipeg) whose positions will be redundant as of November 15.

I wonder whether the bill will help any of those people the government has caused to be laid off in Winnipeg.

The Winnipeg Labour Council, representing 115 local unions and over 30,000 employees, told us that the VIA Rail cuts would cost them "over 500 jobs in the initial phase of the new government program". It also mentioned other jobs which

will be lost later as a result of spin-off effects. I wonder whether the bill will help any of those people.

In British Columbia we were told by Ralph Frisk of the CNR Brotherhood of Maintenance of Way Employees Union the following:

—we are extremely concerned that approximately 640 jobs, those of our brothers in related CNR unions, will be lost. In some towns where the CNR is the major employer, these cuts will cause great hardship.

These examples demonstrate the hypocrisy of the government pretending to worry about Canadians at the same time as laying off a minimum of 1,600 people this summer by disembowelling VIA Rail. It is beyond my comprehension, but there is not a level of hypocrisy beyond which hon. members opposite will not go. If the hon. member for York East could name one example, I would be delighted. It has just been brought to my attention by one of my colleagues that the hon. member for York East recently said that the election was 18 months ago. In fact it was 22 months ago. That kind of mathematics will get the government into a lot of trouble, including the $700 million error in the budget calculations.

The mayor of Kamloops told the task force the following:

Some two dozen jobs will be lost to the community . . . The impact of this move will mean a minimum of $500,000 annual payroll loss to the city.

One does not have to be particularly wise to know that if the government kills jobs in a community such as Kamloops, in many cases people will leave Kamloops. Why would it not have been better to have left the train running through Kamloops, to have left all those people working happily and hopefully living productive lives, rather than killing so many jobs? If the government had left the train running through Kamloops, perhaps we would not have to discuss a bill which attempts to help people who lost their jobs; perhaps we would not have to be engaged in a steady deindustrialization of Canada, as I have attempted to indicate in my remarks:

In Vancouver, William Apps, regional vice-president of CBRT, said:

VIA Rail Canada has a record of providing a high standard of service and much of the credit is due to the employees who serve the public in a highly professional manner. These are the people employed in ticket offices, baggage rooms, and on-board employees performing the on-train services such as refreshment, coach and sleeping car service.

I agree with Mr. Apps. Most of the people who lost their jobs with VIA Rail were highly competent and dedicated employees. Where are these people today? As we were told time and time again, undoubtedly they are at Manpower offices trying to find new jobs. Many of those people have well served Canadians and their employers for 25 or 30 years, only to find that it is the blasted government which has put them out of work. What other civilized country in the world has a government which would cold-bloodedly and on no economic or social basis whatsoever undertake to throw 1,600 people out of work? The government does not even pretend to have a reason to justify it. It is the public be damned. If Commodore Vanderbilt did it, Mr. Speaker, you and I and every member opposite would denounce him from every soapbox in the country. I submit that these people opposite are just as heartless as Commodore Vanderbilt. Every one of them rises to speak in favour of it and votes to approve it. Every one of them echoes the Minister of Transport. They seem to say, "It is only people. We are going to give them a grant to retrain them as a result of this bill. How can we feel sorry for the 1,600 and more people who lost their jobs with VIA Rail? We will give them grants—although in some cases that may destroy their self-respect. We are going to leave them at home all day while their families have to go out and earn the money to pay the rent or the mortgage." Hon. members opposite are humane, we believe.

● (1710)

I think the case can be made that there has never been a more heartless, less compassionate government in our history than this one. The problem with VIA Rail is but one of a legion of examples I could give.

Hon. members opposite do not understand anything about economics. I have often said that if every Canadian could take a course in economics, not a single Liberal would be re-elected to any future Canadian Parliament.

Last year about $7.5 billion left Canada as the result of Canadians and foreigners taking their money out. They do not want to leave money here to build plants or create jobs or for any productive use; they want to take it to the United States, West Germany, Switzerland or some place where they know there is some economic sense and where their currency will have some value.

Mr. Collenette: Tax havens!

Mr. Kilgour: The hon. member for York East just does not understand anything, Mr. Speaker. The point is that the government's policies are making every other place a tax haven, whereas people would rather keep their money in Canada. People are taking their savings and pensions out of the country. They are selling their homes here to buy homes in Arizona or some such place. All this obviously causes enormous problems for the construction industry and for our balance of payments. It goes without saying that it also causes unemployment.

This party believes in policies and measures designed to attract foreign capital, not policies that will discourage it at every turn. This party believes in policies which would attract more people into Canada with the skills and the training that would be of benefit to the economy, causing it to grow.

Let us take Jamaica as an example, Mr. Speaker. For eight or nine years Michael Manley used the same kind of policies there as this government has been using. He managed to take a perfectly healthy, prospering and relatively happy economy and country to the point where it had an inflation rate of 35 per cent and an unemployment rate of 35 per cent per annum. He drove foreign investment out of Jamaica with his own brand of xenophobia, of which we have not a little in this country, unfortunately. He drove people out of the country and ended up with an unemployment rate of 35 per cent and an

inflation rate of 35 per cent. Eventually the majority of the people of Jamaica had the sense to throw him out of office.

At the weekend I read in the newspaper that Mr. Seaga has brought the inflation rate down to 6 per cent, but I do not know what the unemployment rate is although I believe it has been substantially reduced. Mr. Seaga spoke of attracting investment from 800 businesses which had expressed interest in investing in his country, so money and investment are flooding back to the island. I have never been to Jamaica but I understand it is a magnificent place. When money comes back, jobs come back and with proper control, inflation goes down. I hope that before long Mr. Seaga and the people of Jamaica will experience virtually no unemployment and no inflation.

If all the things that would encourage inflation were listed, it would be seen that this government has done most of them. If all the things that would encourage unemployment were listed, it would be seen that this government has done most of them too. If a list were made of everything that would drive Canadian money out of the country, it would be seen that this government has done most of them. It is dreadfully wrong for a country with the talents, resources and education we have to try to disembowel itself, economically speaking, year after year after year.

A concrete example of this has occurred in my own community in Alberta, Mr. Speaker. A company there has become the largest producer of rigs for the oil industry throughout the world in the last ten years. It was started in Edmonton, it grew up there, and it is now one of the success stories of western Canada. But, Mr. Speaker, of 1,500 employees, ony 100 now work in Canada while the remainder, I gather, work in the United States, Europe or elsewhere. There is no good reason why the majority of those 1,500 employees should not be working in Ontario, Quebec or some place else in Canada. Our economic policies, which have been compounded—

The Acting Speaker (Mr. Ethier): Order, please. I regret to interrupt the hon. member but his allotted time has expired.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Ethier): It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Laval (Mr. Roy)—Tourism—Importance of eventual participation of Quebec in Federal-Provincial Conference; the hon. member for Halifax West (Mr. Crosby)—Pipelines—Extension of natural gas pipeline to east coast. b) Delay in construction; the hon. member for Dauphin (Mr. Lewycky)—The Budget—Effect on former CNR and VIA Rail employees. b) Request that minister intercede on behalf of retired railway employees.

GOVERNMENT ORDERS

[*English*]

LABOUR ADJUSTMENT BENEFITS ACT

MEASURE TO PROVIDE PAYMENT OF BENEFITS

The House resumed consideration of the motion of Mr. Caccia that Bill C-78, to provide for the payment of benefits to laid-off employees and to amend the Canada Labour Code, be read the second time and referred to the Standing Committee on Labour, Manpower and Immigration.

Mr. Lyle S. Kristiansen (Kootenay West): Mr. Speaker, when considering Bill C-78, an act to provide for the payment of benefits to laid-off employees and to amend the Canada Labour Code, I am reminded of the reactions I have experienced to this institution and to the government since coming here after the election of February 18, 1980. This party will oppose the bill, at least at this stage. It seems to me that it is another example of bureaucratization—

Mr. Blenkarn: Right on!

Mr. Kristiansen: —and the pile up of paper. If anything, it is a make-work project for more and more bureaucrats. For the thousands of employees trying to find their way through the system, for the hundreds of union representatives and shop stewards who are already overburdened in trying to steer the people they represent through the bureaucratic maze of workers' compensation, unemployment insurance and the myriad of other regulations that seem calculated to confuse rather help ordinary people in the country, it is a nightmare.

It will also be a pain in the derriere for hundreds of managers dealing with the problems of industrial relations, workers' involvement, and rights to unemployment insurance. It seems designed to confuse and confound ordinary Canadians who find themselves in dire straits, if not worse, as a result of the actions or inactions of the government.

Under the heading "Designation of Industries" Clause 3(1) of the bill reads as follows:

> 3. (1) For the purposes of this Act, the Governor in Council may, by order, designate any industry either generally or with respect to any region of Canada.

The bill is purportedly designed to assist Canadians in industries which are hard hit in these difficult times. I will use the forest industry as an example because it is the one with which I am most familiar. One would think that this bill should at least allow the government to assist the people in that industry. However, in reading on, it seems to me that, by definition, they are apparently excluded from any possible protection under this piece of legislation. If any hon. member opposite is perhaps a little brighter, a little more innovative, or

whatever, perhaps that hon. member could enlighten us to the contrary. However, under "Designation of Industries", Clause 3(2) states the criteria for general designation as follows:

● (1720)

An industry may be designated generally pursuant to subsection (1) if the Governor in Council is satisfied that

(a) the industry in Canada generally is undergoing significant economic adjustment of a non-cyclical nature by reason of import competition or by reason of industrial restructuring implemented pursuant to a policy or program of the Government of Canada to encourage such restructuring;

Mr. McDermid: Or by reason of insanity.

Mr. Kristiansen: The board that will administer this program will be politically appointed by the governor in council, by the cabinet. Whoever is appointed will be a political appointee.

Mr. MacBain: We're going to appoint you.

Mr. Kristiansen: It does not amount to the kind of responsible democratic structure where labour appoints someone and management appoints someone, or anything else of the kind; we are talking about straight political hacks. I suspect that hon. members opposite will not admit that what the government has certainly been doing to the forest industry is "industrial restructuring implemented pursuant to a policy or program of the Government of Canada". We may perceive it as being that. However, I rather doubt that those hon. members over there will admit to any such thing.

Mr. MacBain: Never!

Mr. Kristiansen: I certainly suspect that they will not define the problems now taking place in the forest industry from one end of the country to another as being non-cyclical in nature. It is a cycle within the business cycle. It is a regular one. It happens every few years. This one happens to be much worse than the norm because it has been encouraged, abetted and, in part, created by that government; but it will not admit to it, so it will not be covered under that definition either. Therefore, we find that one of the largest industries in Canada, one which has been harder hit than almost any other, will be exempt.

Perhaps some hon. members may say that the enabling provision will be found under Clause 3(2), or Clause 3(3), which states the criteria for regional designation. However, under Clause 3(3), we find much the same thing:

An industry may be designated with respect to any region of Canada pursuant to subsection (1) if the Governor in Council is satisfied that

(a) the industry in that region is undergoing significant economic adjustment of a non-cyclical nature;

If I am mistaken, perhaps hon. members opposite will enlighten me. However, I suspect the government will very strongly state that what we are facing in the forest industry is a cyclical problem. Will any hon. members opposite deny that? Will they say that it is an "industrial restructuring implemented pursuant to a policy or program of the Government of Canada"? Do any hon. members want to say that? They do not seem to want to say that, either. Therefore, I can only assume that my guess is correct and that the government has no intention of providing any extra benefits or any relaxation of regulations. I assume my guess is correct if, in fact, that is what this means, and I have my doubts.

Thousands and thousands of Canadians in British Columbia, New Brunswick and elsewhere, right across the country, who are facing such dire straits within the forest industry and many other industries and now find themselves to be out of work due to cyclical markets which are being aggravated by their effect upon working people across the country, will receive no benefits.

Something else which disturbs me relates to the word "adjustment" as I find it consistently repeated throughout Bill C-78. At page 6, under Clause 10, the bill states:

The Board may certify an employee named in an application under section 9 as being eligible to apply to the Commission for labour adjustment benefits if

(a) he was laid off;

(b) the Canadian establishment from which he was laid off is part of a designated industry;

That contains the obvious limitations to which I earlier referred. It states further:

(c) the number of employees at the Canadian establishment referred to in paragraph (b) was reduced as a result of lay-offs, in any twelve month period including the employee's effective date of lay-off, by at least ten per cent or fifty employees, whichever is the lesser; and

(d) his lay-off resulted from the economic adjustment referred to in subsection 3(2) or (3), as the case may be.

Mr. McDermid: Economic adjustment!

Mr. Kristiansen: Economic adjustment! I know that the year 1984 is not very far away, but it seems to me that considering the amount of new adjustments we will be making which will affect people in the Canadian labour force, we should perhaps have waited a couple more years so that we would at least be in tune with the vocabulary suggested by George Orwell: "newspeak". The bill before us is full of "newspeak": "seasonally adjusted", "economically adjusted", "non-cyclically adjusted". These are all terms which appear throughout this entire bill.

Mr. Blenkarn: Well done.

Mr. Kristiansen: I would plead with and ask the government to take seriously the fact that Canadian working people are tired of being adjusted, whether economically, seasonally, non-cyclically, or vertically or horizontally, for that matter. What they want is to find some employment with decent wages in order to make their contribution to this country and to their own families.

Some hon. Members: Hear, hear!

Mr. Kristiansen: I have been looking hard at this bill. I have searched it and searched it. I want to believe that hon. members opposite are people of good will, but it is hard to find evidence. I want to say that a number of days ago the Minister of Employment and Immigration (Mr. Axworthy) asked, concerning another matter, "Why does not anyone say thank

you?" I would love to say it; but try as I might, I cannot find anything for which people in my industry, the forest industry, can be thankful. Other than those political appointees and the thousands of bureaucrats who will be required to shuffle paper around to make sense of this matter, I cannot find anyone else who has much for which to be thankful as a result of the great lengths of imagination to which the minister and his staff must have gone in order to produce this bill. It is mindboggling.

I would also like to refer to Clause 14(2) on page 11 of the bill, concerning work-sharing, agreements, which states:

(2) For the purposes of this Act, the weekly insurable earnings of a qualified employee for any week of employment under a work sharing agreement approved pursuant to section 37 of the Unemployment Insurance Act, 1971, is the lesser of

(a) the total amount the employee would have earned for that week if he had worked a full working week for the employer he worked for under the agreement; and

(b) the maximum weekly insurable earnings, as determined pursuant to that Act, for that week.

Mr. McDermid: Say that again?

Mr. Kristiansen: Apart from the difficulty that we laymen, who are supposedly here to govern experts, may have in determining just what all of this means, many people, including myself, who are very active in relation to workers and their problems from one end of the country to the other, are very leery of any government, be it of any political stripe, which attempts to interfere in what should be a matter to be determined by management and employees within a given company or industry. If the government, by this measure, is attempting to take unto itself the power to determine whether to encourage people in an industry to adopt what is sometimes called work sharing—I prefer to call it unemployment sharing—then I think that is a very dangerous approach. It has long been my feeling and that of many others, I might say, in the Canadian labour force, particularly those who are privileged to represent people in an elective capacity within that labour force—

Mr. McDermid: We all do!

Mr. Kristiansen: —that it is fundamentally wrong to take away or encourage the taking away of rights which are enjoyed by someone, by virtue of written inclusion in a collective agreement or contract, without the mutual consent of management and the union, and without the consent of the affected individual. Even if management and union agree to take away such rights, that union and that management have no right even to act together to remove those rights without the employee's consent if a contract or collective agreement states that an employee has certain rights. The government certainly does not have the right, unless the individual affected consents. When you have an industrial operation, or any other type of employment, where the people, due to their seniority, have the right to remain employed in a period when some employees are laid off, no one has the right to remove that right or to attempt to encourage the removal of that right unless those persons expressly consent.

• (1730)

I know the concept of job ownership is not one universally accepted in this country as yet. People talk about the rights that go with the investment of capital, but people who invest their labour power and their lives for 10, 20 or 30 years, often at considerable risk to their health, do have a right to job ownership, within definitions accepted by large numbers within Canadian society, and a proprietary right in that job as well. They will defend those rights against management, government and, if necessary, against their own union representatives if those representatives fail to do their jobs as the collective agreement outlines them. I suggest it is very risky and very wrong for the government to even encourage those people to sacrifice those rights unless they are willing to sacrifice themselves for what they deem to be the better good of their fellows.

I am also upset with the method of designation of the regions or industries and how those designations are to be made. Anybody with that kind of power should be selected on some more fair basis than simply by the governor in council or the cabinet. It should be so structured under any piece of legislation that attempts to bring in a change such as does this bill that representatives who are duly appointed, selected, elected, or whatever, by the various component groups which make up Canadian industry should be automatically on such a board, rather than having its members selected at a political whim. The board itself is politically appointed, and the designations will cause a great deal of difficulty because they are left so open. As I understand it, there are only to be some four to six designations per year because of the shortage of funds—and I may have something to say about that later—will cause a great deal of difficulty. There will be a great deal of flexibility of choice by this politically appointed board as to which communities receive the benefits. I presume, even though I am skeptical, that there are some real benefits attached to such flexibility, but there will be difficulty with regard to the selection of those communities that will derive this government's self-defined benefits.

I looked to other funds and programs which have been set up by this government, such as the Western Development Fund, to get an indication of how this power would be used, particularly if the choices to be made are strictly political, made by politically appointed groups. There were two projects in western Canada last year funded from the Western Development Fund. One happened to be within the constituency of the Minister of Employment and Immigration (Mr. Axworthy), and the other happened to be within the riding of a former minister of the environment, in Kamloops, and involved the native Band from which that minister came. That is rather suspect, with all the hoop-la surrounding the fact that this fund was for regional development. I begin to wonder, about this especially in view of the fact that I believe the five regions that have been mentioned to date under this program are all within ridings represented by members of the party which forms the government. Having that in view and the other experience, I am more than just a little suspicious and

leery as to the intent and practices which this board and this program will follow in the allocation of priorities.

There are a number of other matters I should like to refer to that are of grave concern to us in considering the legislation before us. The program is restricted to a relatively small amount of money to be used in selective areas after the damage has been done. There is a maximum of four to six communities to be designated at one time for benefits to be paid in the total amount of approximately $175 million, minus $90 million which is intended for the companies themselves, leaving $85 million for unemployed workers. If you divide that by the five years to which the total amount is supposed to apply, you end up with $5.6 million. Divided by the six communities mentioned, this works out to approximately $800,000 per community per year. I understand Windsor is one of the communities mentioned, and $800,000 will not go that far in a city that is as affected as that community has been in the past year, and things do not look any rosier in times to come—not in the immediate future, in any case, though I wish they did.

The program has not been set in the context of full employment programs and massive industrial restructuring. When we look at the many serious problems facing the industries that may come within the ambit of this program—and, as I said, this does not touch the forestry industry—we begin to see the scale of the job to be done. This measure takes place in the absence of positive government economic activity.

The bill also avoids confronting the need for active labour market policies such as the levy grants system being proposed by the Canadian Labour Congress and placed before the Allmand task force and elsewhere.

The $15 million community employment program will be of the Canada Works welfare type. When we are talking about industries in which people are quite properly getting wages and salaries in the range of $8 to $14 per hour, to suggest the welfare type of make-work program as a reasonable substitute for people suffering from the inaction of this government is scandalous, to say the least.

There is still no provision within the bill for accountability in respect of plant closures or lay-offs to a job protection board or any other type of agency.

The benefit levels for older workers under the labour adjustment benefits program will be lowered to bring them into line with current unemployment insurance benefits, from 66 per cent down to 60 per cent of earnings.

Again, the cabinet will designate the communities, so the decisions will be highly political. There are no specific guidelines for designation, or procedures for applications by communities that could be reviewed by some independent body. The program will affect only a few communities, maybe as few as ten over the next few years.

Also, industrial assistance may very well reward inefficiency and lack of investment, or it may be given to an industry that has already planned to invest.

• (1740)

Finally, no conditions have been established to ensure long term commitments after federal assistance is granted. Surely we have learned enough from some of the problems which have developed as a result of DREE to look again. It has even been suggested by some hon. members from the other side—maybe it is about time they started to speak up again—that steps be taken to ensure that where the government provides concrete financial assistance, there must be some type of watchdog capacity, if not equity, along with some input to ensure the continuing development and compliance of those industries. The government as well as the communities involved should have some say in return for the dollars which have been invested by the taxpayer. The taxpayers have a right to expect a return on their investment. When taxpayers invest their money in an industry, they should have representation from someone, appointed on behalf of the government, to look after the public interest. These representatives may be employees or community representatives within local governments, such as a city councillor or someone from the village or regional government, acting for the government, in order to bring back to industry some degree of social responsibility. Some social responsibility still rests with employers who at least live in the community in which they have their business, so that they are accountable to their shareholders and responsible for ensuring that people will not be cast out of the labour force unless there is absolutely no other alternative. In these days of multinational conglomerates, trans-national and even large national concerns, there is not that social responsibility which we must now begin to revive. We must have some kind of community or employee input—not necessarily control—to ensure that if those corporations must resort to dislocation, that information will be advanced to those people who are immediately affected. With that information, these people may then influence their communities, the media and the companies involved to take a more socially responsible course and to balance that social responsibility with the responsibility which these companies properly and understandably have to their shareholders.

This legislation does not begin to consider that. Although this is not the major objective of the bill, surely it is not too early—although it may be too late—to start looking in that direction. This bill should ensure that the kind of social responsibility that once existed under local ownership is revived in some areas of our economy.

Again, no conditions have been established to ensure a long term commitment after federal assistance is granted. The bill provides for no input into management in return for federal equity and in return for the federal taxpayers' dollars.

Finally, I would like to say that I am disappointed that the federal government has failed to devise a bill which provides for more understanding. I repeat that the working people of Canada are totally frustrated by the maze of regulations which now exist in the UIC system, as are their employers and representatives. I believe that this bill only adds to the maze and will make it even more difficult for people to understand.

Canadians who are privileged to have union representation are often able to succeed in their appeals to the commission through boards of referees, six to eight times more often than those who do not have the benefit of union representation. Many Canadians who have strong unions will be able to find their way through the maze and to receive protection, but those thousands of other Canadians who do not have that representation will be totally lost in their attempts to claim their legitimate rights under the provisions of this bill.

I am disappointed by the fact that this legislation exists in a vacuum. I believe that the government must re-examine its motivation and its conscience and ultimately find the will and determination to take positive action—not patchwork and band-aid—to mitigate the effects of its own policies to date which have so severely hamstrung the Canadian economy and have driven hundreds of thousands of proud working Canadians into bankruptcy and unemployment.

Hon. J. Robert Howie (York-Sunbury): Mr. Speaker, first of all I would like to congratulate the minister on the assumption of his duties and wish him well in helping the workers of Canada.

This bill reflects Labour Canada's participation in the $350 million industry and labour adjustment program announced in January of this year by the Minister of Industry, Trade and Commerce (Mr. Gray), the Minister of Regional Economic Expansion (Mr. De Bane), the Minister of Employment and Immigration (Mr. Axworthy) and the Minister of Labour (Mr. Caccia).

One of the main features of the bill, an early retirement pension for employees unable to obtain alternative employment, has been in operation in the clothing, textile and footwear industries for several years. The bill permits the immediate extension of this provision to qualified persons in communities in Ontario and Quebec and Sydney, Nova Scotia, as well as to industries which are, or are to be, designated under the program.

Job creation, job-finding, mobility and training are measures in place to assist unemployed workers and will now be joined with early retirement as a last resort for helping affected workers. The industries involved are those which are subject to import competition or are encouraged by government policies and programs to restructure their operations. In case of economic pressures, the cabinet can designate industries in specific geographic areas for these benefits.

The program supplies a slender safety net for workers in the 54 to 65 year old age group who are employed in the selected industries of clothing, textiles and footwear. As well, it makes special mention of 30-year workers in the 50 to 54 year old age group.

But what about the majority of the Canadian work force which is employed by small business, farming, forestry, mining and fishing? The Georgia Pacific Veneer plant at McAdam, New Brunswick, is the only industry in the village. It closed its doors this year and there is no alternative employment for its workers. Are these workers to be excluded because they do not make textiles or footwear?

Over half the lumber mills in the Atlantic provinces are closed and hundreds of people are unemployed. American export markets are closed and the whole housing and building industries are in recession. Are the workers in our mills—most of them employing less than 50 people—not to be eligible because their industry is not identified or because the cabinet has not identified their geographic area for benefits?

I propose that the built-in discrimination against all industrial and commercial employees, farmers, fishermen, mill employees, miners and tradesmen be removed and that all workers be treated equally under this legislation.

In the Atlantic provinces, Canadians earn two-thirds of the national average in wages. The industrial plants and business operations are small. The area that suffers the most from unemployment, regional disparity and employment loss is not as qualified to receive benefits under this bill as are the more prosperous parts of Canada which have larger mills, larger plants, and employ larger numbers, areas where most of Canada's textile, clothing and footwear plants are situated. They also have most of Canada's Members of Parliament and cabinet ministers.

The type of industries which are the focus of this bill should be expanded to remove the discrimination against the Atlantic provinces. What about workers in provinces like New Brunswick which have resource-based economies requiring more workers at one time of the year than another, where continuity in a general trade such as lumbering is easier to prove than in a mill with a single employee?

● (1750)

The intention is to help industries adjust to competition from imported products and government induced structural changes; it should also help industries in the Atlantic provinces that must also compete with products of central Canadian industries established and protected for many years with tariff walls and government policies that deprived the Atlantic provinces of more advantageous trade with their natural trading partners in the New England States and along the Atlantic seaboard. It should help all workers who are subjected to the indignity of unemployment through no fault of their own and who must look to this bill as a safety net of last resort.

I commend the parliamentary secretary for his clear explanation of the steps leading to benefits and a description of the benefits themselves. At page 12611 of *Hansard* for November 6, 1981, he said the benefits are equal to 60 per cent of the average insurable earnings before the lay-off. For 1981, the maximum insurable earnings prescribed under the Unemployment Insurance Act stand at $315 a week. Therefore, the maximum labour adjustment benefit is $189 a week, he indicated. The benefits are reduced by 60 cents for each dollar of income from employment while registered under the program and one dollar for each dollar of income from other government sources or employment preceding the benefit period. That is the maximum benefit. When all these deduc-

tions are made from the middle range or lower-income base, we are at the lower edge of prudence, facing the poverty line.

The bill proposes another board, the Labour Adjustment Review Board, to certify that the lay-offs involve an establishment that belongs to a designated industry and affect 10 per cent of the manpower or 50 workers of the establishment, whichever is less; that the board is convinced the lay-offs stem from a serious upheaval in the industry; that the claimant is between 54 and 65 years of age, has exhausted all unemployment insurance benefits and has had at least 10 years' employment in the industry in the last 15 years—there is more—and that the claimant is a Canadian and has a Manpower certificate showing he has no employment opportunities or a much inferior job. If the board so certifies, the worker qualifies—that is, if the worker is still alive after jumping all those hurdles.

Can hon. members imagine the bureaucracy needed to sustain this operation? And then the cabinet in its political wisdom can simply identify industries in certain geographic locations where the program then applies.

An easier way with less bureaucratic and political involvement is to make the program applicable to all workers in the 54-65 age group who are the unwilling victims of permanent lay-offs and for whom there is no other employment opportunity.

In the Maritimes we have the spectacle of the Minister of Transport (Mr. Pepin) cutting the guts out of New Brunswick and Nova Scotia by cancelling over half of their rail passenger services and about 80 per cent of the CN Express operations, and none of the workers in these industries qualifies for this program. None of our woods workers, farmers, lumbermen, carpenters, plumbers or electricians qualifies. And yet every one of these laid-off workers can point to high interest rates or, in the case of the railways, to misguided government policies for their lay-offs. Do they meet the 10 per cent rule? They surely do. Unemployment is our primary industries exceeds 20 per cent, and in some of them it is more than 50 per cent. Have they worked in the industry for 10 of the last 15 years? Yes, but perhaps not for the same employer. Do they qualify? No. The industry is not designated, and neither is the geographic area. They should be. The bottom line is this: industries in all of the Atlantic provinces should be designated, the rules made more flexible for primary industries and all workers who qualify receive their benefits administered locally through community employment centres now in existence, without an expensive new board and a new bureaucracy.

What about spouses? We surely at long last are on our way to permitting their full participation in the Canada Pension Plan now that the equal rights amendment of the Leader of the Opposition (Mr. Clark) has been included in the Constitution. What about this program? Where do they fit here? It seems discriminatory, and it should not be. We should at long last admit that a spouse contributes greatly to the breadwinner's ability to earn income and is deserving of at least full survivorship benefits in this and, indeed, all our programs.

In its Part III amendments, the bill requires employers in federal jurisdictions to negotiate fair termination settlements with workers or unions. The minister in his speech on November 6 set out the federal jurisdiction to include railways, trucking, shipping, banking, grain handling and national infrastructure industries. One amendment reduces from five to one the required years of employment but a minimum of five is provided and a maximum of 40 removed. If more than 50 workers are laid off, 16 weeks' notice is required, and the employer must set up a management labour committee to minimize the impact of the lay-off on the workers.

The first disappointment in this movement—in the right direction—in the proposed amendments to Part III is the failure to recognize the equity of workers in their jobs. This recognition greatly strengthens the Japanese industrial empire in its successful drive to produce quality products at competitive world prices. It is a concept I hope the new minister will address.

The new threshold for severence pay of one year and the removal of the cap on it are good moves. The minimum of 50 required to trigger a 16 weeks' notice of lay-off is discriminatory against faithful long-term workers in small to moderate-sized plants and does not contemplate enlightened employers who, through no personal fault, are suddenly forced into bankruptcy by high interest rates or credit restrictions by our banks and are unable to gove any reasonable notice. Is there anything to stop an unscrupulous employer from laying off 10 people at a time and defeating the purpose of this amendment?

Finally, the big disappointment is that the lack of federal leadership and initiative has resulted in no comparable provincial legislation. The new DREE disease of wanting to centralize control of projects and glory is apparently contagious. The result is equally predictable. All programs do not work well in every area and region. This program will operate only with railways, trucking, shipping, banking, grain handling, and national infrastructure industries. Again there is little benefit for the Maritimes because, thanks to the present government, we have little left in the way of national transportation companies and grain handling. We do have the banks—or better put, they have us. Our federal trades people are already the victims of discrimination, being paid regional rates below the national average.

Thanks, Mr. Minister, at least for your good intentions.

There is, however, something the government can do, that is, to set aside a portion of the income tax from firms and corporations to be held in trust and payable in lieu of severence pay and notice to all workers in the event of a lay-off, whether in groups of 50 or less.

The program before us is one of last resort and is no substitute for the program of job creation to which the minister referred in his opening remarks on November 6. I agree. What we really need is a blueprint for the economic recovery and development of our nation, and the training programs of which the minister also spoke are an essential measure that must progress in concert with development and job creation. In the Atlantic provinces, community colleges and technical

training schools must be vastly expanded to meet this challenge. High level curriculums with modern teaching methods, on-the-job training and apprenticeship programs must move forward hand in hand with fair employment policies and regional development and job creation policies.

We need an economic vehicular structure much like the ocean industries concept developed by DREE and Nova Scotia in June of this year to seek and bring new high technology firms—the winners in today's economy—to the Maritimes to build on areas where we have an equal or natural advantage. Spin-off and involvement in the $400 billion of Canadian energy megaprojects in the next decade require action now by Ottawa and the Maritimes to put in place a strategy to enable Maritimers to use this national dynamic as a development tool.

May I call it six o'clock, Mr. Speaker?

[*Translation*]

The Acting Speaker (Mr. Ethier): Order, please. It being six o'clock, I do now leave the chair until eight o'clock this evening.

At 6 p.m. the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

[*English*]

Mr. Deputy Speaker: When the House rose at six o'clock, the hon. member for York-Sunbury (Mr. Howie) had the floor.

Mr. Howie: Mr. Speaker, at adjournment earlier this evening, I was discussing the spin-off and involvement in the $400 billion of Canadian energy megaprojects that are planned for the next decade. I was indicating that this would require action now by Ottawa and the maritime provinces if we want to put in place a strategy to enable maritimers to use this national dynamic as a badly needed development tool.

However, prospective employees also require extensive training to take advantage of these opportunities. This requires facilities and they require money. The maritimes do not have the tax base to provide it. We need an investment in our provinces to enable us to provide and staff secondary industries to help us help ourselves. Instead of handouts and subsidies, we need an investment. Until this is done, the measures of last resort for most Canadians are often the measures of only resort for those in the maritimes.

Among other things, we must resist and reverse the cutbacks in established programs financing for the maritimes shown in the schedules tabled by the Minister of Finance (Mr. MacEachen). We need vast increases by both federal and provincial governments in research and development and secondary education as national and regional objectives administered and applied in the maritime provinces. Failure to train Canadians now means importing many of our future leaders and skilled workers tomorrow.

Finally, I do not want to delay passage of this bill which seeks to alleviate the human tragedy, the quiet poverty, the embarrassment and real hardship for many of a growing number of Canadians who suffer from unemployment. Almost half of our unemployed people are in the 15 to 24-year-old age group, and this bill does not touch them. However, some of the measures I have proposed can help them if the minister will reconvene a meeting of ministers who designed the program before us and discuss it with them.

I would urge him as a new minister to take the leadership in abandoning the reckless direction on which our country is now embarked and to create instead a climate attracted to industry, to competition and to the economic recovery of our nation. As a trading nation, Canada can move from fourteenth back to second place in terms of competition and standard of living, and we can be first. All it takes to replace the frustration of older workers unable to find work and disillusionment of young people seeking work is the national will and political determination of our government.

I hope the minister will act as a fresh new voice in the councils of his tired old government and urge on them an end to eighteenth century economic policies that do not work and a fresh new beginning for our young country that can truly lead the world in providing good jobs for all its people and the highest standard of care and living in the world.

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, I was so taken with the oratory of the preceding speaker that I forgot to prepare myself to follow him. That was an excellent speech made by my colleague. I feel rather inadequate following such a great speech, but I am prepared to address a few words to the House on this legislation.

This legislation reminds me of the kind of approach that this government often takes to economic planning in our country. It is rather of the kind, if I may be permitted to say so, that would say: would the last person to leave town please shut off the lights. That is the kind of legislation we now have before us. It is typical to the kind of legislation this government has to bring in in terms of the bungling and mismanagement we have seen demonstrated by it with respect to an economic and industrial strategy for our country.

I want to deal with the specifics of this legislation in due course. However, I think it is fair to say that this legislation has been necessitated because of the failure of the government to develop a coherent industrial strategy. Over the years, during the time we have been in opposition we have consistently demanded that the government state, announce and develop an industrial strategy to chart our nation's course in the years to come. Our calls for action have fallen on deaf ears. We are now asked to pass this patchwork legislation to deal with industries that are succumbing to that particular policy failure. It is truly a sad commentary about this government and a sad reality that this type of legislation is needed in our country.

• (2010)

In our country we have a paste fix government, whether it be in the form of a budget or in terms of its constitutional proposals or now with respect to industrial and labour policies. I say to the minister who has been newly appointed that he will not only need all the incredibly hard work, of which I know he is capable, but also an enormous amount of luck, having regard to the competence of the colleagues with whom he sits in cabinet. The exception is the Minister of State for Mines (Mrs. Erola).

This government has never been known to be a government of action; but at one time Liberal governments were known as governments of reaction. They used to round up the cattle after they got out of the barn. Now when the cows get out, the government throws up its hands and shuts down the farm.

Mr. Baker (Nepean-Carleton): Buys a new herd.

Mr. Hnatyshyn: Or buys a new herd and subsidizes it out of public money, as my colleague for Nepean-Carleton (Mr. Baker) points out. I notice with interest the legislation's provisions for joint planning committees in cases of industrial shutdowns, the lofty objectives to develop an adjustment program to minimize the impact, the termination of employment of so-called redundant workers. I shall deal with that subsequently in my remarks.

On the basis of the provisions of this bill, I am very interested to find out exactly who will be covered by this legislation. On the basis of the provisions dealing with qualifications, I would be very surprised if there are many people left who will, in fact, qualify. If they do qualify, they will have to have met some pretty stringent qualification provisions with respect to years of employment in any particular industry. It would be far safer, if they wanted to bring benefits to those people who have become redundant, to modify the provisions of the legislation with respect to the number of years one is required to have worked in a particular industry or in a region so as to qualify for benefits. If that were the case, in light of Canada's present economic circumstances, I think we would have a larger group of Canadians who were out of work, unemployed and with no prospect of employment in the immediate future who could receive some benefit by the legislation.

With respect to this legislation, I should like to direct my attention to a particular matter of some interest and importance to me, coming as I do from Saskatchewan, in view of my responsibilities while in government. It has to do with a circumstance that has developed in our country, particularly in the province of Saskatchewan, at Uranium City. I ask rhetorically how this legislation, which was supposedly going to help people who have been put out of work through no fault of their own, and not by the dreaded private sector but by a Crown corporation, is going to be of assistance. We have listened to the Minister of Energy, Mines and Resources (Mr. Lalonde). One would think that the Crown corporation was the answer to all our industrial strategies or all our problems in Canada, because here is a corporation that allows a government to use the corporation as an instrument of national economic policy. The Minister of Energy, Mines and Resources said that a Crown corporation is a vehicle that is accountable to the people of Canada. Wonderful words on the part of the minister with respect to the advantages of Crown corporations in our country!

The example of what has happened in Uranium City as a result of the actions and, if I may be permitted to say, the callous and cruel actions of the Crown corporation, Eldorado Nuclear Limited, would make any thinking Canadian cringe with shame and disappointment. For an instrument of the Government of Canada to take actions that are so cruel and callous with respect to a community of some 3,000 people in northern Saskatchewan, I believe, warrants an extensive and full parliamentary inquiry into this particular shutdown of an industry which seriously affects an important province and city of our country.

Legislative provisions in this area are the minimum provisions the government of the day intends to accept from its corporate citizens. In light of the legislation being presented today, I think it is interesting to consider the Crown corporation's treatment of its own employees, and the assistance the government has provided its own people. Eldorado Nuclear Limited has been operational for a number of decades. Around the mine, a thriving town of some 3,000 inhabitants has developed. In the community of Uranium City people have purchased homes, developed businesses and established their families. This is not just a resource camp moving miners in and out on a weekly basis; it is a town that has developed to serve the needs of the corporation. One would hope there would be some reciprocation in kind on the part of the government and its agency. Indeed, the town relies heavily on Eldorado Nuclear Limited. There is no other major industry that supports the community. Reports indicate that the town has a tax rate of $4.5 million to keep water and sewer lines open, to maintain the streets and to keep the lights on. Eldorado Nuclear Limited supplies 87 per cent of this base. When Eldorado goes, the town will have less than $1 million with which to support itself.

Eldorado Nuclear Limited has recently made extensive capital investment in the community. I should point out that the investments have led many of the residents to believe that the future for Uranium City is reasonably bright. In the last two years, $4 million has been spent on housing and an additional $4 million on machinery.

An hon. Member: That is to close it down.

Mr. Hnatyshyn: That is prior to closing down precipitously. Those are the kind of capital expenditures that have been made in the town of Uranium City in Saskatchewan. In the last year, as part of a $12 million capital expenditure program $1.2 million was spent on the mill; $1.2 million was spent on a new food facility; and $1.7 million was spent to complete the Charlot River power project to bring power to the mine and to the community. That is an enormous amount of money, Mr. Speaker. One hundred and fifty of the 580 homes that are

owned by Eldorado have been built in the last five years. Eldorado Nuclear Limited has just purchased a Boeing 737 aircraft to ferry workers in and out of Uranium City. This is the principal purpose of the particular aircraft. The support facility for this aircraft, including the construction of a major building to house the aircraft, was built in Saskatoon, and the support staff have been moved from Edmonton to Saskatoon during the time that I was minister. This is merely by coincidence, I should point out. I would never stoop to any kind of partisan, political change. It is the logical place for the headquarters to be. That hangar facility was built at a cost of $2.7 million. Rather than having warnings given to the employees and imposing a restriction on hiring, in addition, Eldorado hired men right to the day of the announced shutdown. Reports have indicated—and I think they have been substantiated—that some 45 families were moved into Uranium City within weeks before the announced shutdown. It was indicated to them that their employment would be of an ongoing and continuous nature into the foreseeable future. There was no word of a possible shutdown of this mine operation of Eldorado.

• (2020)

I should point out that Uranium City is not the type of community from which one can just pack up one's belongings and drive away. The first problem is that normally there is no road, except during the wintertime when one must drive over the frozen surface of northern Saskatchewan. Uranium City is 850 kilometres north of Saskatoon. Virtually the only link to the community is by aircraft from Saskatoon. If one decides to settle in Uranium City, one makes a commitment, a commitment from which it is not easy to back away. One must realize that the social and economic costs to people of the community will be massive in terms of the action taken by Eldorado Nuclear Limited, with the approbation and agreement of the Minister of Energy, Mines and Resources and the government. Recent expansion has been made by a number of businesses in the community. They, along with privately-owned homes, have lost nearly their entire value. On the one hand, the government brings in legislation to aid employees in industrial shutdowns, and on the other hand it provides a devastating Christmas present to the people of Uranium City.

I wish to review the reasons given by the government and by Eldorado for the shutdown. First they indicated that the ore grade has fallen 40 per cent in five years and that production costs are rising faster than inflation. Also they indicated that there has been a drop in the world price for uranium from $50 per pound in 1979 to $27 per pound today. I, for one, am not ready to accept blindly the stated reasons as entirely believable. In fact, there are several reasons to call suspect the rationale of the corporation in this particular matter.

I should like to point to the most recent annual report of Eldorado. If one reviews it, one notices the brave projections for the future of the mine. It indicated that ore grade was below average in recent years, but that this was due to an inability to carry out development work because of a shortage of experienced miners. Not one word was said about the mine running out of uranium. Indeed, the report indicated that development work should allow access to higher ore grades in 1981. In 1980 the ore grade went up from what it was in 1979, from .185 per cent to .188 per cent. A higher tonnage and grade, coupled with an increase in the milling recovery rate from 86.9 per cent in 1979 to 88.6 per cent in 1980, resulted in a 9 per cent increase in production of U_3O_8. With these signs of improvement, what will happen to the brave projections? The people of Uranium City would very dearly like to know. Have costs of production really soared as high as Eldorado and the Liberal government have claimed? One must wonder what is included in the cost of production figures. Do these costs include all extraordinary expenditures, such as aircraft and hangar buildings, the Charlot River electrical project and the new dinery? The stories told by people who work in the community and in the mine, as evidenced at a visit by the leader of the provincial Progressive Conservative Party to that community during the course of last week, open one's eyes to the litany of wasted expenditure by the corporation.

The people of this community—and I think hon. members of Parliament from all parts of Canada, particularly those of us from Saskatchewan—have so many questions about the management or mismanagement of the Beaverlodge operation that it can only be resolved by a full parliamentary inquiry, for which I have called. The questions multiply when one hears of the prognostications with respect to the international uranium market. On today's news we heard that a private company, Rio Algoma, is prepared to offer employment to 450 of the people in Uranium City who were laid off. Does that sound as if the uranium market and the uranium mining industry were depressed? One must ask oneself this question: if Eldorado, in its statements with respect to the shutdown of this mine, is so pessimistic about the future of the uranium industry, why are we now finding that a private concern is able to make a very substantial offer of employment for many people who will be put out of work? Does that speak to the efficiency of Eldorado? Does that speak to the efficiency of the Beaverlodge Mine?

As for the decrease in the price of uranium, it is interesting to note that this is an issue in 1981. In the early 1970s when uranium was valued at under $6 per pound, and with no sales contracts in the hands of Eldorado, the mine came through because of the formation of Uranium Canada to stockpile uranium for government loans on production. Now, with the price at $27 per pound, stockpiling is not even considered an option. I ask the following question seriously: is it not possible that this stockpile transferred from Uranium Canada to Eldorado, which is now carried by Eldorado Nuclear Limited, is putting financial pressure on Eldorado, and an easy remedy is to shut down an operating facility so that some of the stockpile on hand may be sold to relieve the obligation on Eldorado?

Another aspect of the question of uranium prices is the quotation of Eldorado of the drop in the spot market price. As the last annual report aptly indicated, Eldorado's uranium is not sold on the spot market. There is no actual spot market for

uranium. Rather, it is sold on long term contracts. The area of existing and future contract prices is another area which should be thoroughly reviewed by a parliamentary committee to see whether or not the situation has been accurately stated by Eldorado.

Eldorado is also presently involved in the development of the Key Lake Mine in Saskatchewan, scheduled to go into production in 1983. There is no question that the market price is soft for uranium at the present time. When viewing Eldorado's over-all mining production plans, one cannot help but be intrigued by Eldorado's manipulation of its assets to fit its contracts. Beaverlodge will operate until June 1982. Supplies for the contracts can be filled by the stockpile after Beaverlodge closes its doors. Then contracts are freed up for the Key Lake operation in 1983. It is terribly important for Key Lake to have contracts waiting for the mine to open its door, to justify the existence of the particular operation.

It is interesting to note the prediction by analysis in the government's Department of Energy, Mines and Resources which foresaw the softening market in February 1980. It indicated:

> —prospects for the short term future dimmed in the face of a growing imbalance between projected uranium requirements and supply capabilities. Implications of this growing imbalance were that development decisions for some of the recent new discoveries may need to be deferred, that there will probably be continuing decline in prices, at least in real terms, and that there will likely be some loss in the exploration momentum that has built up during the last five years.

Rather than heeding these warnings and taking action to bolster the market, the federal Crown corporation, with the approbation and approval of the Minister of Energy, Mines and Resources, has done absolutely nothing. Therefore, when the market softens, the more marginal operations are destined to die, no matter what the economic and social costs may be.

It is fascinating to consider that we have this Crown corporation, the so-called window on the industry, suddenly becoming the window on how to create instant and devastating unemployment in the country. The government is bringing in legislation to soften the impact of economic shutdown on employees in the private sector. At the same time it is not willing to offer its own employees the courtesy of a more detailed explanation of the necessity of the shutdown in the first place.

• (2030)

Had there been sufficient advance warning of major economic loss to those employees and to other local inhabitants dependent on the existence of the local operation, perhaps many of us would not have felt as strongly about the actions taken by Eldorado. Had there been some indication by the government of a firm offer of financial compensation to innocent people who lost their employment, their hopes, their prospects for advancement and their investment in the community, perhaps many of us would have felt a little less strongly about its callous actions.

This is not one of the dreaded multinational companies that is acting in a cruel and callous manner; this is our friendly federal Crown corporation. It is one of the corporations that is accountable to the people of Canada. But what accountability is there in this situation? The actions of Eldorado demonstrate that it is the kind of corporation with which we have not the best of all worlds but the worst of all worlds.

If you were the president of a private corporation and you made the kind of capital investment in the community and in the mine that was made by this Crown corporation, Mr. Speaker, I would ask you to consider how you might be received at the annual shareholders' meeting. Notwithstanding the fact that you are such an outstanding person, I would suggest that your job would be in serious jeopardy if that were the case. But that is the way things are today, and we have to ask what is going on with Eldorado. What kind of decisions has this Crown corporation made that will result in the shutdown of a town of 3,000 people and which will negatively affect the supply centre of Saskatoon which sends materials, personnel and professional people into that community? What kind of corporation would first recommend the establishment of a uranium refinery in Port Hope, Ontario, and then, after the re-election of the Liberal government in 1980, waste hundreds of millions of dollars of Canadian taxpayers' money by moving that facility to northern Ontario? If you were on the board of directors of that corporation, Mr. Speaker, how do you think your shareholders would receive you?

I simply say that these corporations have no accountability to the people of Canada. We might as well forget that notion. This incident is proof positive of the kind of thing that can happen. It is evidence of a lack of sensitivity about the effect that this expenditure of millions of dollars of taxpayers' money will have on an important community in Saskatchewan. As I understand it, the only accountability is to the shareholder of the company—the one and only shareholder, the Minister of Energy, Mines and Resources. He must accept full responsibility for the actions of the government. He must accept full responsibility on behalf of the Liberal Government of Canada for this heartless shutdown of a town in one of the important provinces of the country.

Mr. McDermid: It is another slap in the face for the west.

Mr. Hnatyshyn: My colleague says that it is another slap in the face for the west. As I told the minister in the House, I would bet a lot of money that if this mine were located in the minister's riding of Outremont, it would not be shut down; the plant would go on and on and on, regardless of the cost. That is the way the minister thinks and that is the way the government thinks. It is the kind of philosophy that leads to legislation such as we are considering today. It is evidence of the shortsightedness of this government with respect to any strategy. It is an example of the pork-barrel approach with respect to all its decisions on Crown corporations. The Minister of State for Mines (Mrs. Erola) knows what I am talking about. She has been getting the education of her life these last two years that she has been in government. I can imagine that she does not get a moment's sleep at night. Instead, she must be tossing in her bed, thinking about what is going on and what she thought would be involved in government—

Mrs. Erola: Mr. Speaker, I rise on a point of order. I am very confused by the charges made by the hon. member. I wonder if he knows what the quality of the ore grade is in the mine that is being shut down.

Mr. Hnatyshyn: Mr. Speaker, I am glad the minister made that interjection. I have a grudging admiration for her as she sits amongst her cabinet colleagues. I have some sympathy for her because she has only been here two years and I know it is difficult for her to appreciate the way the government operates.

I have information on the ore quality in front of me, Mr. Speaker, but I have also listened to legitimate and professional opinion expressed to me by geologists and mining engineers in Uranium City. They say that the shutdown of this plant is not absolutely necessary and that at the very least the plant could remain in operation for longer than two or three years without seriously affecting the position of Eldorado.

I have already mentioned some of the expenditures that have been made and I know that the twin from Ottawa Centre would not want to do Saskatchewan out of any of its rightful entitlement. The Parliamentary Secretary to the Minister of Finance (Mr. Evans) went to Saskatchewan two weeks ago when he attended the provincial Liberal convention. It was held in a phone booth, Mr. Speaker! The parliamentary secretary went to offer a defence of the budget, so I am surprised to see him back in the House grinning as I know what kind of reception he received from the Saskatchewan Liberals. They had to send a delegation down here to see the minister and ask about the industrial and economic strategy—if there is any. He knows what pressure the very few Liberals left in Saskatchewan are under when they are faced with the dumbkopf and dumb-headed decisions such as those made in Uranium City and in the budget. He knows that the credibility of the Liberal Party is absolutely zero in Saskatchewan, if not right across the country.

A human tragedy is taking place in Uranium City, Mr. Speaker. The Minister of State for Mines will understand this as she comes from a mining community. She knows what is going to happen to the community, to families, to people who invested their life savings in an enterprise on the basis of statements made by Eldorado Nuclear in its annual report, its advertising and employment campaigns. Imagine, Mr. Speaker, bringing in 45 families about two weeks before the mine shutdown. Imagine bringing people from Atlantic Canada to northern Saskatchewan and then, the first time they go to collect their pay cheque, giving them a termination slip! That just boggles the mind.

The government has shut down this mine without a full and proper investigation of available alternatives. I am afraid the situation smacks very much of mismanagement and incompetence.

• (2040)

How could the minister tolerate a situation where the corporation continues to make new major investments in an operation to build that new power plant, to put in extensive machinery, to move all of its support facilities, as well as building new housing and heating facilities for the workers, while it plans to close down the mine in the near future? The hopes of the people of the community were unnecessarily and falsely raised. Is it any wonder that the people of Uranium City are calling for an inquiry? Under the circumstances, how can this request be denied? I say that it would be laughable, if it were not so pathetic, to see the irony of the government bringing in legislation calling for joint planning in industrial shutdown situations, yet turning around and leaving the people of Uranium City to believe that their community's future is assured, and then announcing a shutdown and not being able to guarantee that the community will be fairly compensated.

Because of the lack of leadership on the part of this government, we must now look at legislation to cope with the uranium cities which will be springing up all over this country. A lack of any direction by this government and a lack of any sense of planning has caused this problem.

The Liberal government was once regarded as a reactive kind of government. Now it is regarded as a government of reaction. There has been a lack of any sense of empathy demonstrated by the leading spokesmen of this government for people who share the burden of the government's mismanagement and wrong decisions. When I go back to my constituency over the weekend, I cannot help but be impressed by the number of people who come up to me on the street and ask, "What does the Minister of Finance (Mr. MacEachen) think that he is doing? Does he not understand how the budget he has brought down is adversely affecting my small independent confectionery?"—or, "my small business", "my insurance company", or, "my insurance agency". Many people who have put in a lot of time with the railways in this country come up to me and say, "It is not much, we did not get paid much and we do not have much of a pension; but at least we have the right to passes on the railways of this country. Now we will be taxed on the benefits we have received".

Mr. Nickerson: It doesn't matter. There is no train anyway.

Mr. Hnatyshyn: Many people come up and say they have made plans as a result of the government passing legislation in a budgetary context, but all of a sudden they find, having made those plans and having invested a lot of money in accountants and advice, that these items will now be taxed, and they will have to go through the expensive proposition of realigning and reconsidering their positions in terms of their business operations. The average man on the street bears the burden for the government's mismanagement. I will tell Your Honour one thing. People must feed themselves, and they will not be getting any free lunches, as far as the Minister of Finance is concerned.

Therefore, when I look at what is happening to Uranium City, I can say that I consider this to be the story of a shutdown of a town by a government. Then, reading this legislation in the context of that situation, one wonders what we are now talking about. Over the weekend, a letter was

delivered to my house back in Saskatoon, which I will read. As Your Honour can see, it is signed by approximately 100 people from Uranium City. They are just average citizens in Uranium City who have signed this letter to endorse their feelings as expressed by Mrs. Carol Reekie, who lives in Eldorado, Saskatchewan. It is addressed to the Prime Minister (Mr. Trudeau) and, it states:

I would like to know what gives you the right to put over 800 people out of work? You, as the representative of Canada, is supposed to stop unemployment not create it. It's easy for you, you are not the one out of a job, and you do not have to worry about personal money problems. What about us? What kind of support are we or should we expect from you, if any at all?

I hear you are retiring in the spring, well, for the benefit of the people of Canada, I think you should. I as a voting person, voted for the Liberal Party—

The following words are capitalized:

—WELL, WHAT A DISAPPOINTMENT! I think if you would have taken a larger interest in the mine, you might have stopped the downfall of the mine. Why was Eldorado permitted to build so many new homes, build a new cookery, renovate the rec hall, make the move from Edmonton to Saskatoon, buy a new plane, and hire so many new employees if there wasn't enough work or money to do it, along with the fact a shutdown was being considered? I'm sure you feel there were good reasons for everything that was built or bought but I don't think anyone up here in Uranium City would feel they were good enough to put Eldorado more in debt to push for a shutdown.

A week ago a man moved to Uranium City with a wife and an above average amount of children. After the man arrived all he had left was forty dollars. The town people went around with a basket to raise money to give to the parents so they can buy Christmas presents for the children. Are you going to help all the families who are new up here and have no money, and for that matter, what about the older families who have bought property or businesses and can't sell them? Are you willing to buy them at a reasonable price? My bet is you won't do anything, like you said, we as the westerners don't like you, and as far as the Uranium City people are concerned you are not worth our time or money!

That was signed by Mrs. Carol Reekie and, as I said, by approximately 100 other citizens whose families feel very much the same with respect to the kind of treatment they have received from the hands of this government.

I have just a few more minutes left to speak, but I want to ask Your Honour what we have here concerning this legislation, this bill which is, at least, entitled "An Act to provide for the payment of benefits to laid-off employees and to amend the Canada Labour Code." We see right away that this government has gone full speed ahead with respect to employment opportunities as far as a new level of bureaucracy is concerned, because it has now set up, of course, a labour adjustment review board. It will create a few more jobs for people in Canada who are considered by the government to be appropriate appointments of people who carry the right political card. However, if we go on to see exactly what this act does, we find that it is a piece of legislation—I am sorry, Mr. Speaker. Am I getting near to the end of my time?

Mr. Deputy Speaker: You are, indeed.

Mr. Hnatyshyn: I have just a couple of observations. I am sorry to ask for the indulgence of the House, but I will be only a couple of seconds.

What I feel must be viewed very carefully in committee is the fact that this legislation gives carte blanche to the government to designate and deem, by order in council, areas which will be eligible for any benefits.

I made the second point earlier in my remarks, and it is my final remark. In terms of qualifications for benefits under Section 12 of this legislation, I find it very hard to understand how many people will be affected by this legislation and will receive any benefits. It is something we will have to view in committee, as the action of the government and this legislation causes us great concern. I thank Your Honour for allowing me the time that you have.

Some hon. Members: Hear, hear!

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, prior to suppertime, while in the elevator, the hon. member for Vancouver East (Mrs. Mitchell) asked why I, as a Conservative, was applauding the hon. member for Kootenay West (Mr. Kristiansen).

Mrs. Mitchell: I said I was glad you were supporting the NDP.

Mr. Blenkarn: She said that I was becoming a little left-wing. I fail to understand that remark, but since she is here tonight, I thought I might explain my feelings to her.

This bill is another bill which is designed by socialists to increase socialism by creating another board, another committee, another group, another branch of the civil service within the ministry of labour, another level of bureaucracy, and another payola for those who believe in big government in the same way socialists normally believe. I am delighted to welcome the hon. member for Kootenay West into the Conservative camp as he is at least able and willing to address this bill within its proper framework. It is exactly an effort by the Minister of Labour (Mr. Caccia) to produce a bill to create another board, another bureaucracy, another level of bureaucracy, another inquiry system by which some people can go into other people's places of business, their offices and inquire into their records, demand that they produce things under oath, demand that they do this, that and the other thing. It is another level of the same thing we have had too much of. You can already go across this country and ask people day after day what is wrong in Canada, and they say there is too much government, too much red tape, too much bureaucracy, too much, too much, too much, and this bill, sir, is too much, too much and is unneeded.

• (2050)

We have a ministry that is involved in manpower and unemployment insurance. The job of that ministry is to take people who are unfortunately out of work, unemployed, and find them other places to be employed. The job of that ministry is to conduct a retraining program, if possible. We know that in our society people are trained in school to do certain things, and they go and do those things but, because we are in a very rapidly changing world, people often have to find new sources of employment, new places to earn their livelihood and new careers. Some people in our society may have to find new careers twice or three times in their lives. That is the nature of a fast-changing society. That is why we have a

Department of Manpower and that is why we have unemployment insurance.

Now we have the Minister of Labour bringing a bill before us so that he too can become involved, so that he too can have a new bureaucracy involved with retraining and with determining which people he can categorize; determining if they should fall within the category of being capable of receiving some sort of special benefit or some sort of manpower payment.

There is no need for this bill. There is need for a better manpower operation. There is need for a little more attention to the facts of life in terms of business and career training and retraining. There may be people unfortunately displaced in our industrialized society who are over 54, as the bill says, who cannot be retrained for some reason and whom we as a society may have to look after. But is there any need for this great board of review? How many people are to be on the board? The bill does not say. There is going to be a board appointed which will make inquiries and which will certify whether a person who applies is eligible as a recipient. That person will receive what amounts to a UIC benefit; not quite, but 60 per cent of his insurable earnings as it is described in the bill. Without even being tied in with the Department of Manpower, it uses the same phraseology—insurable earnings.

What have we got here? We have another board to determine certain categories of people. How are the categories determined? They are determined by orders in council, presumably. It will determine employees who are redundant and who will perhaps receive 60 per cent of their insurable earnings for life. If there happens to be a mistake in the procedure and they receive more money than they should, their benefits will be garnisheed, they can be sued for up to five years of overpayment, their property can be taken from them. That is what is done with regard to unemployment insurance when that commission makes a mistake. If they pay a person a little more than he should receive under unemployment insurance, the benefits can be garnisheed and his property can be seized. They even send individuals to jail sometimes. The board is going to be able to do that in this case too.

We will have another whole bureaucracy lined up to do that. We will have another unemployment insurance bureaucracy under the Minister of Labour because this minister and his people want a bureaucracy too. After all, why should they not have one if the Minister of Manpower can have one? Why should they not have a bureaucracy in order to determine whether people are unemployable or redundant? Why should they not be able to shove them off onto the scrap heap and say: We will pay you 60 per cent of your insurable earnings for the rest of your lives, maybe, until you are 65 or until you collect from Canada Pension Plan, or until you collect your old age pension? That is how we are going to treat you. That is the policy. That is the way we are going to have it; another bureaucracy, another level of payments, another way of handling it, another way of shovelling people into an ash can. It is no good. We cannot as a society operate that way.

Let us analyse what is wrong. First of all, in this country we have had a history of bad trade policy. The minister we have right now, the hon. member for Windsor West (Mr. Gray) is the fellow who said this government is going to produce a low interest rate policy. He is the fellow who made sure we have had the highest interest rates in history. He is the fellow who said he would resign if interest rates went above 14 per cent. They went to 16 per cent, and he thumbed his nose at Parliament. They went to 22 per cent, and he thumbed his nose at Parliament. He continues to thumb his nose at the Canadian people. He is the Minister of Industry, Trade and Commerce who said, when it was suggested in the House that one of the problems with Admiral is that it was making microwave ovens and all of a sudden all sorts of these ovens were dumped on the market from Taiwan, Korea and so on, "You have to prove dumping. Too bad your people are out of work, Don; you have to prove dumping." That is the trouble with this doggone minister; that is the trouble with this government.

It is not a question of making sure there are jobs. What does he do? What did he do when the footwear industry came to him and said, "Just give the footwear industry a couple of more years' protection through quotas and it will be able to export leather footwear to the rest of the world?" The industry said it was getting tooled up to make the stuff and was getting good at it. That is what the industry said to him. What did he say? He said: "Well, too bad, you haven't got any quota protection anymore. We are going to let those people dump their footwear into Canada. We don't care about your industry. Let us have more people unemployed." He said: "I will tell you what we are going to do. We are going to give you protection for canvas footwear." Representatives of the industry said: "We don't make canvas footwear." He said: "Well, we will give you protection for canvas footwear." That is our Minister of Industry, Trade and Commerce. That is our minister of unemployment. That is how the minister makes sure Canada is rapidly becoming deindustrialized.

My colleague, the hon. member for Halton (Mr. Jelinek), keeps asking the minister about Japanese cars coming into Canada. There were 60 per cent more this year than a year ago. What does the hon. member for Windsor West, the Minister of Industry, Trade and Commerce, do to protect Canadian jobs? What does he say? He says: "It's okay; don't worry, fellow. You know, the Japs are efficient. We will make your auto people redundant and maybe we will get the Minister of Labour to make auto workers, who have worked 30 or 40 years in the industry, eligible for 60 per cent of their insurable earnings until they are 65." That is the trade policy of the Minister of Industry, Trade and Commerce and that is the trade policy of this government. That is what is wrong with this bill and that is what is wrong with this government. The textile workers and the shoe workers are already under this kind of policy. But what are we doing to make sure that we produce textiles and shoes?

● (2100)

Most of the modern textiles are made from petroleum products. Canada is a nation which has many of these resources available. We are a nation that can develop those resources cheaper than any other nation. However, due to the trade policies of the Minister of Industry, Trade and Commerce, textile workers are being thrown out of work. It is not because we are inefficient or because we do not have the raw materials but because there is not the will on part of the government to develop. The government's desire, apparently, is to pay 60 per cent of the insurable earnings to some people who the minister decides through his appointee on some board are redundant. The people are redundant.

Our country is a great producer of raw material in the world. We are becoming a great exporter of more raw materials. We are becoming the leading hewers of wood and drawers of water in the world, instead of utilizing the raw materials and the competent people with which we are endowed to enlarge our industrial base. This minister introduces a bill to make those people redundant and to pay them 60 per cent of their insurable earnings for the balance of their natural days, or at least until they receive their old age security or guaranteed income supplement. That is what this program is all about. Instead of building this country, the government wants to put it on pension and lay it off. This bill is designed to give the country permanent UIC benefits, instead of creating job opportunities for people who are capable or working. This bill is intent on putting people on the dole and under the hand of the minister.

I ask you, Mr. Speaker, where is the trade policy and industrial policy of this government? Where is the policy that ensures that people who produce footwear efficiently can obtain jobs in that industry? We still wear shoes in this country. Where is the policy of the government to provide jobs for people who are experienced in making textiles? We still wear clothes in this country. We can make the yarns and synthetics to make these clothes.

Where is the will in this country to use Canada's home markets as a base on which we can exploit world potential? What we get is a policy that pays 60 per cent of insurable earnings when you are out of work and redundant.

The government is going for the high tech industry, such as the famous computer company on which it wasted $128 million. Sure, we need more high technology. Hon. members opposite need high technology, Mr. Speaker. The people of Canada have had enough, and the people who work for Admiral have had enough of this government. Admiral used to make the best appliances and televisions until this government, under the Minister of Industry, Trade and Commerce, allowed the television market to be swamped by Taiwan, Korea and Hong Kong. It is not because of high technology or good merchandising but because the government wanted to give away the jobs so it could sell a bunch of unrefined and unmilled wheat. It gave away our internal market for technology, and that is what the government is doing to the telephone industry today. That is what it is doing to the communications industry today, and it is what they have done to the microwave industry. Now it is the refrigerators, stoves, washing machines and dryers. Instead of allowing Canadians to develop their own products which can be sold worldwide, it is making sure our home market is destroyed by overseas competition. At the same time, it does not ensure that Canada has access to overseas markets.

If a company tries to sell its goods in Japan, it meets one non-tariff barrier after another. It makes one sick. However, the Japanese are allowed to come to Canada to form their sales corporations and sell their products, and the government does not bother them one bit. What the government does is to sell them our coal, iron and wheat. We do not even sell them our pork half the time. The government allows nations to buy our raw materials, gives them complete access to our consumer market, and then we wonder why the people who make shoes and clothing, refrigerators and televisions become redundant. The policy of the Minister of Labour is to pay them 60 per cent of their insurable earnings if they are 54 years of age or more, or if they are 50 years of age and have been working for 30 years, 1,000 hours per year—he may pay them also.

This is not a policy which will allow Canada to develop. The working people of Canada do not want this kind of policy. They need jobs and the opportunity to build and create and to use that creativity.

This is a welfare bill. It may well be that in some of the changing styles of the world the buggy whip goes out of style and people are untrainable for anything else. When they become incapable of changing, after a long period of time, perhaps we should be doing something for them. But surely it can be done under present manpower arrangements and present UIC arrangements. Surely provisions can be made for people who have worked 30 or 40 years in an industry and, because of their age and aptitude, cannot be trained for something else. We can do something for those people to give them recognition for their many years of service in an industry without creating a new board or department and a new bureaucracy of government. That would be nonsense. It is nonsense that this bill should even be before the House for debate.

It is my hope that this session of Parliament will end while this bill is still before the committee so it will die in committee and have to be reintroduced. During that time, the minister may have an opportunity to change the legislation before reintroducing it, or perhaps he may make changes to the UIC and manpower regulations to combine these measures with the bill. We do not need more commissioners and board members to administer a second phase of UIC for those who no longer qualify for UIC benefits or do not qualify for Canada pensions because they can still do some kind of work and are not totally burnt out. We need better proposals than those provided in this bill. We need leadership from the government in terms of a new industrial policy for the country which recognizes that we have a home market in Canada for the products which we can produce here.

At some point in the future we will reserve that home market for Canadian workers and Canadian business. We will not let every Tom, Dick and Harry in the world dump their products on the Canadian market and put Canadians out of work. We are capable of making our own automobiles, trucks and tractors in this country. We do not have to leave our markets open to the likes of those in Russia, Korea and elsewhere to use our home market for their dumping ground. Tell me, can the Russians buy a Lada for $4,500 in Moscow? I say they cannot. The reason is that they do not sell them that cheap over there, but they will dump them in our country at that price. Can you buy those Jap cars in Tokyo for the kind of money you have to pay in Mississauga?

• (2110)

Mr. Evans: What cars?

Mr. Blenkarn: You heard me. The parliamentary secretary does not like the words "Jap cars". I am going to tell him they are Jap cars.

Mr. Evans: No, I don't like it.

Mr. Blenkarn: That is too bad. My people want jobs. They want the right to work and build for this country, and they do not want our country to wind up being the dumping ground for everybody's surplus product and everybody's industrial activities. But that is the attitude of the parliamentary secretary. He would want us to be the dumping ground of the world.

Mr. Evans: I don't like racial slurs.

Mr. Blenkarn: Racial be damned. I will tell the parliamentary secretary what this is. It is a Canadian slur. Canadians want jobs. They are not interested in being slurred by people who are prepared to let Canada be used as a dumping ground, as this government is prepared to let it be used.

Mr. Regan: Thank God Canadians are not like you.

Mr. Blenkarn: If the minister wants to run again in Halifax, we will see what he can do. We will see what all those fellows opposite can do again. They have made this country a deindustrialized country. They have taken job opportunities away from Canadians. They have allowed such industries as SKF Industries to close and ship its ball bearing machinery to other parts of the world, and allowed that product to be dumped in Canada because it cannot now be produced in Canada. Their policy is to deindustrialize and make people industrially redundant and pay them 60 cents on the dollar of their insurable earnings. This policy has to stop. We must have a Canada first industrial policy. We must have a budget which provides for that and which allows Canadians to invest in Canada and write off their interest costs. We must allow people to borrow to make investments. We must allow Canadians to build in this country. We cannot go on any longer with a policy which says that certain industries are no longer effective when there are still Canadians about who can make them so. We cannot allow decisions like this to be made in the ivory towers around here. I am sure the budget of November 12 was prepared in one of those ivory towers.

I want to speak for a moment or two about some of the causes of this bill. Our dollar is selling today for something in excess of 83 cents American in the world market. It is at that value simply because the government is artificially keeping it there.

The financial policies of this government have been driving Canadian capital from the country. In order to keep our dollar's value relatively close to that of the American dollar, this government has been raising interest rates to attract "hot" money. The consequence of this is that many of our exports are no longer competitive in Europe. This is true particularly of our industrial exports. The Europeans have refused to follow the crazy interest rate policies of the United States. We have not followed them; we have kept ahead of them. The consequence is that we have lost a great deal of our export market in the European common market. At the same time, we have made imports much cheaper in this country than they need to be. That policy itself is part of the deindustrialization policy of this government.

It is imperative to us that we change our domestic policies and our trade policies, that we let our dollar truly float, and that we encourage people in a real way to export from Canada and truly make sure that those who dump their products on the Canadian market are handled in the same manner as Canadian exporters would be dealt with if they were to try to dump their products on the American market. They would suddenly be frozen out by regulation, if by nothing else. We should treat importers into this country in the same way the Japanese treat importers into their country. Those importers should face the same scrutiny vis-à-vis the viability of their home production as we face when we go into their country. Unless we are prepared to have a trade policy which recognizes Canadians first, then, as this bill says, we will continue to have the obligation to categorize industries and to certify industries as eligible for adjustment. These industries will be generally redundant because of import competition and, under Clause 3 of the bill, people from those industries are the ones who can be certified. Clause 9 of the bill says:

> Any employee who has been laid off may apply, directly or through an employer, trade union . . . for certification as being eligible to apply—

"Certification to be eligible".

Mr. McDermid: He is going to be certifiable.

Mr. Blenkarn: My colleague, the hon. member for Brampton-Georgetown (Mr. McDermid), says "He is going to be certifiable". We used to certify lunatics. I suppose now we certify redundant employees. That is what this bill says; we are going to certify people. I think it is about time we stopped certifying people and started looking at the employment opportunities and the resources that are available in Canada. It is time we started looking on the bright side of things and organized our manpower department to retrain people and reorganize people into new jobs. Clearly, in a changing world people will have to move from job to job. We recognize that

but, most important, we must use the Canadian home market primarily for the development of Canadian industry as a Canadian home market for Canadians. As long as we are not prepared to do that, we will wind up with all sorts of industries which will be out of business on a cyclical basis. They will need readjustment or adjustment grants.

Mr. McDermid: They will be designated.

Mr. Blenkarn: My friend says they will be designated. We in Canada are tired of being designated. It is about time we had a government which was prepared to be Canadian first, to let Canadian working people be first, to let Canadian people have Canadian opportunities and to let the Canadian market be available for Canadians. The fact that someone might be able to produce a shoe for a cent or so cheaper than is produced in Canada should not mean that those who have produced shoes should forever get sixty cents of eligible wages until the age of 65.

Mr. Jack Shields (Athabasca): Mr. Speaker, in this debate on Bill C-78 I would like to congratulate the Minister of Labour (Mr. Caccia) on bringing forward his first bill. It must give one a certain amount of pride to do so. I am sorry, however, that the bill does not really address the problems which face the Canadian people. I realize fully the minister's reaction when he thinks about people who have been working in one industry for a long period of time—perhaps 20 or 25 years—and then when all of a sudden the economic climate is such that an industry shuts its doors and lays many people off. It must be a devastating blow to people who have made a career in an industry and in a work force to find it shattered overnight.

• (2120)

I suggest to the minister and the government that we should not be trying to remedy the problems the economy causes but rather the economy itself. I do not think any man who has worked 20 to 25 years for an employer wants to leave that job, say that he cannot do anything else, that after all those years the plant is being shut down, he is out of a job, can no longer be the breadwinner and now must go on welfare, which is basically what it will amount to. That is not what the breadwinner or the woman wants. What those people want are jobs.

What are we doing about it? Unemployment in Canada is at an all-time high. Close to one million people across this country are now unemployed. A good 50 per cent are young people under the age of 24. Over half a million people under the age of 24 today are unemployed across this country.

What are we doing for them? We are not addressing that problem. It never ceases to amaze me, when I come into this House, this hallowed hall, and recognize the talent that sits on the Liberal benches, Conservative benches and indeed we must even say there are one or two in the little red rump who could address the problems facing our country. Instead, by agreement we spend a day on a bill that is only a band-aid. Certainly it addresses the problem that faces a work force hit with an economic downturn where plants close and employees are thrown out of work. It does that.

What are we doing for the industry, because of the very direct attack on the energy industry, in central or western Canada? What are we doing to readjust that to get a viable industry back to work? What are we doing to attract back the 300 drilling rigs that have moved south to the United States, Australia or the Middle East? Absolutely nothing. We are floundering along.

The government brings in a national energy policy which says we are now going to try to get Canadian ownership of the oil industry. Let us look at what happens. The government borrows money on the foreign market at great expense to the Canadian people in order to buy Petrofina. It had to go to the foreign markets to borrow that money. It could have let Petrofina operate under foreign control and said that somewhere down the line it would have to make available for Canadian purchase so much of its stock in order that it would be more Canadian. It could have said it must reach a target of 50 per cent Canadian ownership. The Canadian people could have seen it was a good investment on the open market. That was one way.

By going to the foreign markets, the money is owed outside the country. What is the difference? Where is the Canadian ownership the government talks about? It is just an illusion, just a myth. There is no way we can look at Petro-Canada's purchase of Petrofina as anything but switching dollars from one basket to the other. It is still foreign and will be for a long time. It becomes more expensive as our Canadian dollar goes down, and down it is going.

In the bill the minister talks about the increased responsibility of the employer and the government with regard to displaced employees. Why are they displaced? What has happened to the economic climate in Canada that a situation has been created where factories are closing, bankruptcies are occurring and unemployment is at an all-time high? All the Minister of Finance (Mr. MacEachen) does to address the situation is to grease the rails so that we go into a deeper recession. My constituents in Athabasca are frightened, as are people right across this country, by what is happening to our country.

No longer can Canadians see security in a job. When they go home at night, they cannot be sure they will have a job to go to the next day. No longer can they plan on owning their homes in ten years because they do not know what the interest rate on their mortgage is going to be. No longer do they believe they can send their children to post-secondary schools, universities or technical schools, and launch them on a career.

Chaos has been created in our community. This is a beautiful country. We are probably the luckiest people in the world with the natural resources at our disposal, God-given. They are being abused by this incompetent government that cannot see past politics. It does not look at what is best for Canada. The Prime Minister (Mr. Trudeau) has a great design for Canada. He says the universe will unfold as it should. However, it is going to unfold the way he wants it. I am distressed.

Bill C-78 is aimed at relief for employees, particularly long term employees laid off if a plant or area has been designated by the minister. However, we still have bankruptcies. The largest single employer in Canada today is small business. How will this help a small company in Fort McMurray that declared bankruptcy last week? Five employees were thrown out of a job. More interesting, each was owed in wages in excess of $1,000. Under the Bankruptcy Act, those people will be entitled to and will receive no more than $500. Who is first on the list? The tax department of the Government of Canada is number one. It will get its money. The hell with the employee, the tax department gets its money first. Next, behind the tax man, is the bank. That is the next one. And then the secured debtors. Where is the employer or the employee? Way down at the bottom. But he only gets $500. We had a case recently in Fort McMurray where an employer who employed 300 people fell well within the guidelines the minister is talking about. The firm Tarsands Machine and Welding Ltd. went bankrupt. The employees of that firm supplied their own welding units. They worked on an hourly rate. The most valuable possession that a man has to sell is his labour and time. These men were owed between $3,000 and $4,000 by Tarsands Machine and Welding Ltd. because they used their own trucks, their own welding units and they did the job with their own equipment. The material was supplied.

• (2130)

We have outmoded legislation sitting on the books that we can do something about. Under the Bankruptcy Act, those men can claim no more than $500. I call that absolute, total injustice. Yet the minister introduces something here that is certainly needed. But what is needed more is incentive to help industry get going and incentive created by sound economic policy. As a result, these things would not happen.

For a moment I should like to address a particular case to the minister. For example, what happens to a man in his fifties who gets laid off from a job? He says, "I am not going to go on this welfare program. I am going to find another job." He moves from Labrador City to Fort McMurray on the understanding that when he leaves Labrador City, he will receive a relocation grant. He gets to Fort McMurray and he finds a job. He applies for the relocation grant. He cannot get it. His furniture, which he is moving, is being held for ransom until he can pay the moving bill. Yet, the Department of Manpower and Immigration stated, "I am sorry, you did not make the proper application in the proper way; therefore, you cannot draw the necessary funds." The thing we should be doing is to ensure that these people who do want to move are allowed to move and are given the encouragement. Not one man after 20 or 30 years of employment wants to go home, face his family and say, "I am no longer employable. I do not have the necessary skills to go out and get another job elsewhere." I cannot think of anything worse than for a man to go home, face his family and say, "I worked 20 or 30 years but I am not worth a damn because I have nothing I can sell to an employer. Nobody wants to hire me." I saw that happen to my father. I saw what it did to him for a period of two months when he was unemployed. It is the only time that I remember his being unemployed. I shall tell you Mr. Speaker, it drove him crazy. I feared to come home at night. My father was a kind and gentle man who used to spend time with his children, but I will say that during that unemployment period it slowly ate away at him and I was afraid to come home because I did not know how he would react. That went on until he found another job.

I am saying to the minister through you, Mr. Speaker, that this does not solve the ills that are caused by plant shutdowns. Not one man receiving this early retirement funding or readjustment funding, or whatever one wants to call it, likes it. He will look at the cheque from the Government of Canada and, particularly if he has worked for 20 years, he will know that he is receiving welfare. He will not like it. What a way to destroy a man! Think of it. Of everyone who is entering the labour force in the past year, and of all the young people, 44 per cent could not find a job. That is 44 out of 100. If one were to walk down the street and count 100 people walking, 44 of those people have not found a job in the past year. Why? Do we lack the natural resources, the development? Do we lack the capital? Are there not people in companies who are ready to invest in our resources and in the development of our resources? Do we not have the brains in Canada to develop our industries and the technology?

We do have the resources and the people, Mr. Speaker. But we have to get some sanity into the government. It has to understand that a man's initiative is worth something. He cannot be stifled at every turn. When a man wants to invest his time and his money, allow him to do so. Let him create jobs. Do not turn on him with a budget, as the Minister of Finance did on November 12. Do not change the rules so that a man says, "They have created incentives for me 10 years ago, that is the same government that created tax incentives and said to go ahead and invest in apartment buildings, MURBs, to borrow money and put it into Registered Retirement Savings Plans and borrow money and invest it in our economy and our industries". They did this because these were incentives. They said, "We can do this". Those same incentives became loopholes to the Minister of Finance. The government introduced them as incentives, and then the same government calls them loopholes and states that it has to close them all off. It is slowly destroying the initiative of the Canadian people. This is the kind of thing that we will be seeing more of in time. We will create legislation that will help with the problems. Big government will move in and fix everything up. It is problems that governments create themselves, to begin with. I find it totally and absolutely unacceptable.

Clause 4 sets up the labour adjustment review board. There is no way that a five-member board will be able to handle the number of applications which this legislation will generate. What are we looking at on top of the labour review board? We are looking at an expanded public service. Once again we are looking at an appointed labour review board—go ahead, open the doors and bring in more public servants! That section of a department will probably expand because it will have to go across the country. I would suspect that perhaps there will be

50 to 60 employees per province. I would suggest that perhaps in Ontario and Quebec it might jump up to 200 employees because the program must be administered. We are looking at a section of a department with perhaps 1,000 employees. The government cannot afford to expand the public service by one more person. Right now the government is taking in excess of 40 per cent of the gross national product to run government. It is like a cancerous growth which keeps expanding and expanding and yet is unproductive. It is consuming the wealth of the country. It is not creating, it is not manufacturing, it is not finding new resources, it is not developing resources. It is stifling free enterprise and the individual initiative of a man or a woman who wants to go out and do something, who wants to build, or who perhaps has visions of the country.

● (2140)

Let me turn to some of the clauses in the bill. I should like to read from Clause 3 entitled, "Designation of Industries". Of course the industries must be designated, but how will it be done? Clause 3 reads:

(1) For the purposes of this act, the governor in council may, by order, designate any industry either generally or with respect to any region of Canada.

(2) An industry may be designated generally pursuant to subsection (1) if the governor in council is satisfied that—

Let us look at some of the conditions, how this flows on. Certainly it is a public service document. I can see public servants sitting and writing the document. It continues:

(a) the industry in Canada generally is undergoing significant economic adjustment of a non-cyclical nature by reason of import competition or by reason of industrial restructuring implemented pursuant to a policy or program of the Government of Canada to encourage such restructuring;—

What the hell does that mean? We should think about what we are passing and what we are referring to committee. We should think of its wording. It throws up a smoke screen so that the public servant at the designated level will be empowered to do what he wishes. It continues:

(b) the economic adjustment referred to in paragraph (a) is resulting in a significant loss of employment in the industry in Canada generally.

This is open to total interpretation. Clause 3(3) reads:

An industry may be designated with respect to any region of Canada pursuant to subsection (1) if the governor in council is satisfied that

(a) the industry in that region is undergoing significant economic adjustment of a non-cyclical nature; and

(b) the economic adjustment referred to in paragraph (a) is resulting in a severe economic disruption in that region and in a significant loss of employment in the industry in that region.

It goes on and on. The problem is that we do not read these bills. We are too ready to refer these bills to committee, bring them back here, and then many people rise to speak on them who have never even read them.

I do not want to be unkind to the minister because I think he is attempting to address a problem, but I should like to suggest that the problem is not acute; the cause of the problem is acute. The cause of the problem is the downturn in our economy. The downturn in our economy was caused primarily in the past two years by the National Energy Program disguised as the budget last year. It is being assaulted again in a very direct manner by the budget introduced on November 12. I feel the minister should spend his time addressing that problem. The minister should go to cabinet to try to convince some of his colleagues to reconsider—and I am referring particularly to the Minister of Finance—some of the very retrogressive steps in the budget.

I should like to return to Clause 4 of Bill C-78 entitled, "Labour Adjustment Review Board" which reads:

There is hereby established a board, to be known as the Labour Adjustment Review Board, consisting of not more than five members.

Of course they are appointed members. Will they be appointed on their knowledge of industry, on their knowledge of the area, or because they are good Liberal hacks or supporters? I question this. Every time we see a board established, we know its political affiliation. It continues:

(2) Each member of the board shall be appointed by the minister to hold office during pleasure.

It is the pleasure of the minister. It continues:

(3) If any member of the board is absent or unable to act, the minister may appoint a person to act as a member for the time being, but no person so appointed has authority to act as a member for a period exceeding 90 days without the approval of the minister.

It is clearly open to abuse. I should like to turn to Clause 12 entitled, "Qualification for Benefits". What about a person who has worked for 25 years in a plant in Windsor, has been damn good at his job, has gone home every night to his family, was able to take them on a holiday, and is suddenly thrown out of work at 52 years of age, the prime of life? That is the prime of life, if one happens to be 51. Clause 12(1) reads:

The Commission may determine that an employee who has been certified under section 9 is qualified to receive labour adjustment benefits if

(a) he is a Canadian citizen resident in Canada or a permanent resident within the meaning given that term by subsection 2(1) of the Immigration Act, 1976;

(b) he has been employed in the designated industry of which the Canadian establishment from which he was laid off is part for at least 10 years in the 15 years immediately preceding his effective date of lay-off and was paid for at least 1,000 hours of employment in that industry in each of those years;

(c) he was, on his effective date of lay-off, not less than 54 years of age nor more than the earliest age at which a retirement pension could be paid to him under the Canada Pension Plan or the Quebec Pension Plan, whether or not he has applied therefor;

(d) he has claimed and exhausted all benefits under the Unemployment Insurance Act, 1971, to which he was entitled subsequent to his lay-off;

(e) he is not receiving a retirement pension under the Canada Pension Plan or the Quebec Pension Plan; and

(f) he has no present prospect of employment, whether with or without training or relocation assistance, or has accepted employment with earnings that are less than his average weekly insurable earnings.

● (2150)

That is no help. I can just see the situation in the Manpower office, or whatever this new section of the department is called. A young fellow of about 25 will interpret this and tell a man who has worked for 25 years that he is eligible for relocation. It is a sad day when we have to look to this kind of program in a country that has the vibrant, intelligent people that we have, who want to work.

The problem lies in the economic climate that we have created in Canada. We are not doing anything about the

problem that faces the man who must go home day after day after day and face his family. His wife and children only have to look at him to know what the situation is. I allude to the native people as well. What effort is this government making to improve things for a group in this country that is 90 per cent unemployed? It is just keeping them on welfare. How demeaning this is for the man who has to go home and face his wife and family. How demeaning it is for the man who is laid off.

The Minister of Finance should bring in legislation before Christmas that would get the economy going again. We are on the skids and will have 1.5 million people unemployed by March. Bankruptcies are at an all-time high and all across Canada people are frightened. They are looking to each and every one of us, whether Liberal or opposition, to do something to get the economy going. They are not looking for welfare handouts such as are provided by Bill C-78.

Some hon. Members: Hear, hear!

Mr. Gordon Taylor (Bow River): Mr. Speaker, this bill is an act to provide for the payment of benefits to laid off employees. When I read the bill, I find a number of loopholes and that there is every possible reason for not paying benefits to employees who are laid off. Almost all the government's policies appear to be designed to create massive unemployment in this country. The budget does it by discouraging investment and savings, by discouraging people from working. This bill promises hope of payment if someone is laid off from his job. If that happens, the person is put through a number of miserable investigations before he is told he will not receive any payment. It may be that he is the wrong age. Mr. Speaker, an unemployed person is an unemployed person. He does not have to be 51 or 54—he may be 36 or 24. He may have worked in an industry for ten years before being laid off, but when he is unemployed his kids get hungry and his wife bleeds when you prick her.

What is all this nonsense about a man having to work so many years before he can have benefits! There are people in this country who may have worked for seven years with a company but now that there is no work for them, their children are going hungry. But the government promises a man employment and then conducts an investigation to see if he is really unemployed.

Clause 4 provides for another investigation, by the commission. How many investigations are necessary to establish that a man is unemployed? What more does the government want to know? This bill is designed to fool the people and make them think they are getting something. But people are not so easily fooled, Mr. Speaker.

If the government wants to do something for the country, why does it not encourage industry? Why is it sending capital out of the country? Why is it sending people who are prepared to work out of the country? This government does not start industries, it stops them. There has been talk about Cold Lake and about Fort McMurray, but really, nothing is being done to try to get work going. Our people go down to the United States to get jobs.

The unemployed in this country are unemployed, Mr. Speaker, and they do not need an investigation to show that. We buy millions of tons of coal from the United States which produces acid and sulphur, but we leave the Canadian coal miners without work. In this country we have coal that is almost sulphur free, but we continue to buy coal that is 5 per cent sulphur from another country. We export our jobs.

What is wrong with this government? Why does it not start some industries and entice people to invest their money? The budget does the opposite. It makes people ask what is the use of investing in this country. According to Bill C-48, if people do invest and make good, then the government will expropriate. This is becoming a socialist country. This government is leading the way to the worst kind of socialism. Even a socialist government would try to keep people working, but this government is trying to keep people unemployed. It wants to keep a mass of people unemployed and dependent on the government so that when they have to cry for bread they will do what the government tells them. That has been done in the world before. This Liberal government is trying to duplicate something that is deplorable, that is devastating, that is ruining this country. It had better wake up before the whole country goes down the tube and the government goes with it.

Some hon. Members: Hear, hear!

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

Some hon. Members: Agreed.

An hon. Member: On division.

Motion agreed to on division, bill read the second time and referred to the Standing Committee on Labour, Manpower and Immigration.

The Acting Speaker (Mr. Ethier): Is it agreed that we call it ten o'clock?

Mr. McDermid: May I call it ten o'clock, Mr. Speaker.

• (2200)

PROCEEDINGS ON ADJOURNMENT MOTION

[*Translation*]

A motion to adjourn the House under Standing Order 40 deemed to have been made.

TOURISM—IMPORTANCE OF EVENTUAL PARTICIPATION OF QUEBEC IN FEDERAL-PROVINCIAL CONFERENCE

Mr. Marcel Roy (Laval): Mr. Speaker, on December 4 of this year, I asked the Minister of State for Small Businesses and Tourism (Mr. Lapointe) a question about the participa-

tion of the Quebec government in the Federal-Provincial Conference on Tourism. The minister confirmed that the Quebec government had refused to take part in a conference organized to discuss a national policy on tourism which had taken two years to develop and had been requested by the industry and all Canadian provinces. This refusal followed a decision made by the leader of the Parti Québécois on November 9 of this year, by which all departments were forbidden to take part in Canadian federal-provincial conferences. At the Department of Agriculture, officials refused to take part in the symposium organized with the provinces here in Ottawa. The Conference on the Status of Women in Vancouver was boycotted by the Quebec government. The Conference of Justice Ministers was also boycotted because it was a federal-provincial conference.

Mr. Speaker, this evening, my question, which consists of two parts, is directed to the minister. First, what has been the impact on Quebecers of the partisan attitude of the leader of the Parti Québécois, who is acting as the leader of his party rather than as the Premier of a responsible government elected to govern all Quebecers?

Second, and I hope my colleagues are listening, how long, Mr. Speaker, are Quebecers going to stand for this kind of attitude from their government? How long are Quebecers going to be deprived of federal-provincial conferences that are attended by all other ministers? How long are we going to be isolated and are we going to put up with the consequences of this decision? How long are the people of Quebec going to be the hostages of a separatist, independentist and sovereignist philosophy? The results are already apparent. Looking at *La Presse* of December 5, 1981, we see that Quebec lost 67,000 jobs this year, while the number of jobs in Ontario rose by 114,000. Mr. Speaker, we were not isolating Quebec when the government decided to expand the aeronautics industry and created 7,500 jobs in Quebec. Considerable progress was also made when Bombardier was given a grant of $150 million to develop urban transport in Mexico. We have not isolated Quebec, and the Quebec members here in Ottawa do not intend to take Quebec as hostage, but the leader of the Parti Québécois seems to be eager to do so. Mr. Speaker, it seems that yesterday, Mr. Lévesque decided to call on the Parti Québécois and its militants to decide whether he should remain as leader of the party.

He asked for a referendum within his separatist clan. Mr. Speaker, tonight I want to ask the Premier of Quebec to hold a referendum for all Quebecers, to find out whether they agree that Quebec should continue to be left out of all these federal-provincial conferences. Are Quebecers prepared to pay the very considerable price of such a decision? A referendum is necessary, Mr. Speaker, so that the premier can tell us exactly when and how he intends to develop a socioeconomic policy that will make us proud to be Quebecers within a federal structure. We cannot go on accepting this attitude, although Mr. Lévesque, who is acting as the leader of a political party while agreeing to bear the responsibilities of a premier, was elected to administer a province and to administer the socio-economic interests of all Quebecers. What right does Mr. Lévesque have to keep Quebec civil servants from coming here to exchange views with Canadian public servants on the subject of agriculture? Think of the many developments in agricultural technology that have taken place in the past few years! What right does Mr. Lévesque have to forbid civil servants to come and discuss a national tourism policy and what right does he have to forbid the civil service to take part in an exchange in views? On what does his government base its legitimacy.

I could not sit still before such a near catastrophic situation as concerns employment in Quebec, where 67,000 jobs were lost while 114,000 jobs were created in Ontario during the same period. The Right Hon. Prime Minister (Mr. Trudeau) said at a meeting in Montreal yesterday that the Parti Québécois has helped the privileged members of the public and parapublic sectors at the expense of the workers and the private sector. I would therefore like to ask the minister what have been the consequences of such an attitude.

Mr. Claude Tessier (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, if I wanted to reply fully to this question, I would have to speak even longer than the hon. member, but I shall try to limit my answer to the non-participation of Quebec in the federal-provincial conference of tourism ministers this week and to complete the reply given by the Minister of State for Small Businesses and Tourism (Mr. Lapointe).

First, as we have seen, the Quebec National Assembly, through the Minister of Agriculture, said that agriculture was not an economic concern for Quebec. It is therefore not surprising to be told today that this conference on tourism is not important for tourism. As everyone knows, Mr. Lévesque has his own concept of Quebec and its economy, and if history repeats itself as on the issue of independence, he has the time and the means to lead Quebec to bankruptcy. I therefore share the disappointment of the hon. member for Laval (Mr. Roy) and, like him, I deplore the absence of Quebec, which shows a lack of understanding of the economic importance of tourism in Canada, and especially in Quebec. It is indeed a vital industry for the whole country, being as it is the source of more than $15 billion in annual revenues for Canada, that is 5 per cent of its gross national product, 1.1 million jobs for Canadians in over 100,000 businesses and $6 billion in tax revenues for all levels of government. Besides being essential that industry is therefore necessary for Quebec and Quebecers alike.

But for anyone who does not want Canada to have a future and would rather see Quebec out of Confederation it is obviously necessary to break away from the various economic levers and, once again, Mr. Lévesque must hoodwink Quebecers in an attempt to promote his argument. Unfortunately, it is

also costly. That reason in itself would be enough to inspire sorrow, but we must add that Quebec's non-participation to the conference is not a disappointment for that reason. In the past that province did indeed play an active role in setting up the national tourism plan. Quebec was the provincial representative within a working group of three parties responsible for compiling the Canadian participation, provincial or territorial and private, in drafting the outline of the structure of the national tourism plan, considering especially that Quebec was among the first provinces which said that they were prepared to contribute to the establishment of that plan.

Therefore, Mr. Speaker, just as the hon. member for Laval we must also regret that Quebec, and particularly the Premier of Quebec, spend more time trying to unite the genuine and the bad separatists. If he were to take more seriously his duties as premier it would undoubtedly be possible to work harder and more efficiently for the economy of Quebec and, consequently, for the economy of Canada.

● (2205)

[*English*]

PIPELINES—EXTENSION OF NATURAL GAS PIPELINE TO EAST COAST. (B) DELAY IN CONSTRUCTION

Mr. Howard Crosby (Halifax West): Mr. Speaker, my purpose in addressing the House tonight was to consider the matter of the extension of the natural gas pipeline from its current terminus in Montreal through Quebec City in the province of Quebec to the New Brunswick border and on to Halifax in the province of Nova Scotia, then extended to the Strait of Canso in the same province. However, having listened to two members in the House from the province of Quebec engage in what I can only describe as Quebec bashing, I seriously wonder whether the pipeline, which must of necessity pass through the province of Quebec to gain access to the maritime provinces, will ever be built. Unless we can right some of these differences in Canada, and unless we can bring together the province of Quebec, the government of that province and the Government of Canada we will have no hope of success for the kind of energy and other national projects which are absolutely essential to the welfare of this nation. I ask hon. members from the province of Quebec not to bring their squabbles to the floor of this House but to consider the national interests and all those who are not involved in this federal government-Quebec government dispute.

On November 9, I asked the Minister of Energy, Mines and Resources (Mr. Lalonde) when the government would authorize the extension of the Canadian natural gas pipeline to the east coast, and particularly to Nova Scotia, as recommended by the National Energy Board. I was concerned that the government's delay in rendering its decision would not only retard construction of the pipeline extension but would jeopardize the whole project, already two years behind schedule. Now, finally, by an order in council apparently made on December 12, 1981, almost six months late, the government has granted approval to the pipeline extension. But we are still left with this question: will the pipeline extension now be built? I believe the answer to that question, even at this late date, is in doubt. Why? Because the National Energy Board must process an application for a certificate and in doing so must review and reconsider several matters still unsettled. Those matters include assurance of natural gas supplies from western Canada, evidenced by contracts for transport, transmission and distribution; financing of the project which will inevitably include consumer price and the considerations of the level of federal subsidization.

● (2210)

Another point, Mr. Speaker, is that final designs for the actual pipeline, which will inevitably involve questions of interference with private property rights and environmental impact, will have to be decided. So the extension of the pipeline is far from assured, and the purpose and intent of this lengthy exercise may be lost to the detriment of those concerned, especially east coast energy consumers.

Let us consider the government's record on the matter of the natural gas pipeline extension. It should be noted that the project costs, when the extension was first proposed, were estimated at $1.2 billion. Now costs have soared to over $2 billion for the 1700 kilometre line and the laterals involved.

The first point is that the Prime Minister (Mr. Trudeau), when he was serving as Leader of the Opposition in January, 1980, during the course of an election campaign promised the gas pipeline extension. Notwithstanding this promise, the National Energy Board refused permission for the pipeline and later denied and appeal from that refusal. Then, Mr. Speaker, the National Energy Program, when it was finally unveiled in this House in October, 1980 with the budget documents, guaranteed the building of a natural gas pipeline. At that point in time, Mr. Speaker, the Minister of Energy, Mines and Resources finally recognized the dependence of the east coast, and particularly the provinces of Nova Scotia and New Brunswick and Prince Edward Island, on foreign oil and the difficulties that flowed from that dependence.

Mr. Speaker, 90 per cent of electricity generated in the province of Nova Scotia was generated from foreign crude oil. That amount has been reduced substantially—to less than half that amount—but there is still a very substantial dependence on foreign crude oil supplies.

The deficit applicable to eastern Canada in terms of imported foreign crude amounts to some 400,000 gallons annually, and that involves a $2.5 billion subsidy on the part of the Government of Canada in order to pay for those foreign oil supplies.

During that same period, Mr. Speaker, the cost of gas to the consumer has risen to $1.80 a gallon in Halifax, Nova Scotia, today. That is almost 50 cents more than the $1.36 a gallon the government promised would be the limit on the price of gasoline under the proposals which it advanced in the federal election campaign. But, more important, Mr. Speaker, home heating oil has advanced in price and is approximately $1.35 per gallon in Nova Scotia. Mr Speaker, that is greatly in excess of the amount of the cost of home heating oil at the

time this government took office. But this problem might be partially alleviated, Mr. Speaker, if the guarantees in the National Energy Program were fulfilled. Those guarantees include the delivery of natural gas to Halifax and that area at the same prices paid in Toronto. In addition, Mr. Speaker, the government guaranteed some $500 million to subsidize the extension of the east coast pipelines and other pipeline for which construction is required.

● (2215)

The question today is whether the government will deliver on the promises contained in the National Energy Program. First we must ask: why the delay? The National Energy Program indicated that natural gas would be delivered to Halifax by the end of 1983. Now the estimate is that we will not receive natural gas until at least 1985. In the meantime, people on the east coast will pay atrocious prices for gasoline, and particularly the much increased price for home heating oil.

There is more involved than simply the delivery of natural gas. The pipeline will enable the east coast to participate in the Arctic Pilot Project which, in turn, involves the construction of a very substantial LNG terminal at a point yet undisclosed on the east coast. The project itself will involve the expenditure of millions of dollars and many man-years of employment. The goal of the government's policy, which includes—and has to include—delivery of natural gas to the east coast, is the creation of circumstances in which those on the east coast will pay the same price for energy as the average Canadian pays. That has been the goal of the Government of Nova Scotia in its energy policy, to ensure that Nova Scotians and others on the east coast have the same benefits as other Canadians.

Mr. Roy MacLaren (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, I will not spend any time on the curious arithmetic of the hon. member opposite but, rather, I will respond to his points about the Trans Quebec and Maritimes Pipeline. He will recall that on November 9 the minister stated that this pipeline project is one of the top priorities of the government. The government has committed considerable financial support for this pipeline because it is, in fact, a key element of our strategy to reduce the vulnerability to supply interruptions of those areas of eastern Canada that are presently dependent on imported oil.

The pipeline extension will open up new domestic markets for natural gas from western Canada. Under the terms of the September 1 memorandum of agreement between the governments of Canada and Alberta, Alberta will make market development incentive payments to the federal government to help fund national programs to expand domestic natural gas distribution systems, thereby making this less expensive energy source available to more Canadians. The governments of New Brunswick and Nova Scotia are strongly supportive of the concept of natural gas utilization in the Maritimes. There is widespread backing of the TQ & M Pipeline project.

In beginning work on the gas pipeline extension to Quebec city the company had run into some difficulties, including problems with labour unions, and these resulted in some construction delays. Moreover, the company had encountered problems relating mainly to route selection. Normally, a company obtains approval from the province in which it plans to build a pipeline before appearing before the National Energy Board. In this case the company appeared before the NEB prior to Quebec route approval. Subsequently Quebec insisted on route changes which were later endorsed by the National Energy Board.

On November 20 the minister announced that the pipeline company would file a modified routing application with the NEB for the section of the proposed line between Lévis-Lauzon and Edmundston, New Brunswick. After discussions this past autumn it was agreed that the company would be asked to reconsider its project for the La Pocatière-Matane section with a view to filing a new application with the board. The company plans to ask the National Energy Board for authority to route the pipeline through Rivière-du-Loup and Cabano before its entrance into New Brunswick. This route modification will facilitate the connection of a lateral that would serve at least the Rivière-du-Loup-Matane axis. As a consequence of the company's decision to file a new application, the Minister of Energy, Mines and Resources (Mr. Lalonde) recommended to his cabinet colleagues that they approve the NEB's recommendation to construct a pipeline to Nova Scotia which was handed down last August. Cabinet approval was given on December 10.

Within a few days it can be expected that the NEB will issue a certificate of public convenience and necessity to the company to build the pipeline through to the Maritimes, subject to the terms and conditions spelled out in the board's recommendation to the cabinet last August. These requirements include completion of purchase and sales contracts, financial information, and final pipeline design data.

All these initiatives provide assurances that the difficulties that had confronted this major pipeline project are being successfully resolved. There is every indication that natural gas deliveries will reach New Brunswick by 1984 and Nova Scotia by 1985.

THE BUDGET—EFFECT ON FORMER CNR AND VIA RAIL EMPLOYEES. (B) REQUEST THAT MINISTER INTERCEDE ON BEHALF OF RETIRED RAILWAY EMPLOYEES

Mr. Laverne Lewycky (Dauphin): Mr. Speaker, I rise to speak tonight about a question I raised on December 9 regarding the budget of November 12 and the effect the budget will have on former CNR and VIA Rail employees. At that time the Minister of State for Finance (Mr. Bussières) said my concerns about CNR and VIA employees would be considered. In his response he talked about the concern of the Minister of Finance (Mr. MacEachen) with regard to the equity issue. It is on that matter of equity that I want to address my concern to the minister tonight. I know that one of the concerns in the budget was to close some of the loopholes for high-income earners. I remind the House that these loopholes were created

by the Liberal government. Regardless of that fact, this budget is hurting those who were employed by CNR or VIA.

● (2220)

It was a government action which reduced the number of trains running across Canada. There was a CTC hearing in my constituency. The general feeling there was that it was a farce. There certainly was not enough time between when the briefs were presented and the decision was rendered for the commissioners to consider all the points of view that were expressed.

This is not only true in the Dauphin area. My colleague, the hon. member for Yorkton-Melville (Mr. Nystrom) has run into the same problem. My colleague, the hon. member for Winnipeg-Birds Hill (Mr. Blaikie) said that people in Transcona talked to him about the problem the November 12 budget places on those who have been forced to retire and take an early pension because of the railway cutbacks.

In the last couple of weeks I have been approached by farmers wanting to retire early. They face the same problem as they cannot put their earnings into an RRSP or any kind of annuity. I would point out that these earnings are different from those of people with high salaries or incomes on an annual basis. These are lifetime savings.

Those who talked to me stated that they want to put this money into a retirement income. They do not want to go on welfare or be recipients of some kind of social allowance. They would rather provide for themselves.

The November 12 budget also hits the small businessman who might be forced to sell because of ill health or might wish to retire early. The government talks about equity in this budget. I submit it should designate some of these once-in-a-lifetime earnings as non-taxable.

I wish to inquire whether the Minister of Transport (Mr. Pepin) has made any representations to the Minister of Finance with regard to CNR and VIA employees. The Minister of Transport acknowledged that he received a letter from me four months ago concerning VIA and CNR employees. There has been no action. All I have received is an acknowledgement.

If a representation has been made on behalf of these employees to the Minister of Finance, I would like to know when, what representation was made and what action can be expected on this matter. The year-end is near. Decisions have to be made. I would like to know what action has been planned. This budget was introduced late in the year, on November 12. Will it be possible for some of this bulk income to be rolled over to next year? What action does the minister plan to take on this very serious problem for many of my constituents and those of my colleagues?

● (2225)

Mr. John Evans (Parliamentary Secretary to Minister of Finance): Mr. Speaker, I should first like to start out by indicating to the hon. member that the Minister of Transport (Mr. Pepin) has indeed made representations to the Minister of Finance (Mr. MacEachen) on this very issue and the issue of others who are concerned about the effects of the budget or what they perceive to be the effects of the budget on the question of retiring allowances. I know the question was raised and answered previously by the Minister of State for Finance (Mr. Bussières) in his response to the question by the hon. member for Dauphin (Mr. Lewycky). I think the hon. member should understand that, although certain options have been closed as a result of budget proposals, notwithstanding any possible adjustments that Minister of Finance may very well introduce in the near future, it is important for members to realize a replacement has been brought forward for some of these averaging provisions in the form of the new forward averaging system which offers benefits precisely in these kinds of situations that are a cause of concern to the member for Dauphin. An individual, in some circumstances, can no longer contribute his severance payment or retiring allowance to an RRSP—that is true—those circumstances being the ones where he already has a vested pension benefit. However, he can elect to forward average any income in excess of his usual income over the past three years. The net effect is that for a typical retiring allowance, his after-tax income may be somewhat lower, but it would be in the range of $50 per year over a ten-year period, or a loss, at most, of one or two per cent. At the same time, the person who is using the forward-averaging provision has more cash available in the year of receipt under the new system because he does not have to pay the entire amount of his retiring allowance into an RRSP. As a result, the individual can earn additional earnings on those, which will mean in most cases that the forward-averaging provision provides at least equal benefits to those benefits available from income-averaging annuity contracts in the past or from the RRSP option.

I think the hon. member should appreciate that the new forward-income averaging system merits careful attention and that its prospective benefits apparently are not yet fully understood.

The Acting Speaker (Mr. Ethier): The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 2 p.m.

At 10.28 the House adjourned, without question put, pursuant to Standing Order.